

**CAPITALAND
INDIA
TRUST**

20

A N N U A L R E P O R T

22



Our cover page features the letters “**C**” and “**O**” intersecting to form an interlocked design, where “**C**” stands for **CapitaLand** and the “**O**” stands for **ONE**. Together, they represent the **ONE CapitaLand** ecosystem, and symbolise how the respective REITs, business trusts and businesses that are part of the CapitaLand Investment Group benefit from cross-platform synergies and complementary strengths; and are united and committed to the same shared purpose of ***Making a Positive Impact. Think Big. Do Right. Make it Last.*** by adhering to the principles of diversity and inclusion, doing right by our stakeholders and contributing to the long-term interests of the communities that we operate in.



THIS FLUIDITY OF SHAPES REPRESENTS THE GROUP AND OUR ONE CAPITALAND ECOSYSTEM. WE LEVERAGE OUR RESPECTIVE STRENGTHS AND GROW TOGETHER AS ONE.



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Who We Are

CapitaLand India Trust (“CLINT” or the “Trust”) is a property trust which owns eight IT parks, three data centre developments, one logistics park and one industrial facility in India, valued at S\$2.5 billion as at 31 December 2022. With total completed floor area of 15.5 million square feet spread across Bangalore, Chennai, Hyderabad, Mumbai and Pune, CLINT is focused on capitalising on the fast-growing IT industry and logistics/industrial asset classes in India, as well as proactively diversifying into other new economy asset class such as data centres which is an attractive, scalable and resilient new economy asset class.

Our strategy is simple – to generate attractive portfolio returns for Unitholders by investing in IT parks, logistics/industrial assets and data centres in key Indian cities, while proactively diversifying into other new economy asset classes. Our properties provide quality and reliable business space to our discerning tenants. This differentiation helps us attract and retain prominent tenants that commit to long leases, thereby fostering a stable income profile for the Trust.

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

Vision

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

Mission

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

Why Go Online?

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

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



Our corporate website: www.clint.com.sg

Notes:

- All information in this annual report is dated as at 31 December 2022 unless otherwise stated.
- All measurements of floor area are defined herein as “Super Built-up Area” or “SBA”, which is the sum of the floor area enclosed within the walls, the area occupied by the walls, the common areas such as the lobbies, lift shafts, toilets, and staircases of that property, and in respect of which rent is payable.
- The Indian Rupee and Singapore Dollar are defined herein as “INR/ ₹” and “SGD/ S\$” respectively.
- Any discrepancy between the individual amounts and total shown in this annual report is due to rounding.

8

IT Parks

3

Data Centre Developments

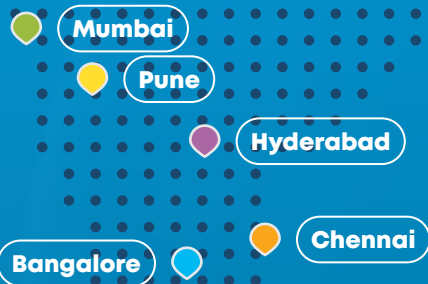
1

Logistics Park

1

Industrial Facility

Across 5 Key Indian Cities



- Bangalore**
 - International Tech Park Bangalore

- Chennai**
 - International Tech Park Chennai
 - CyberVale
 - Industrial Facility, Mahindra World City¹
 - CapitaLand Data Centre Chennai²

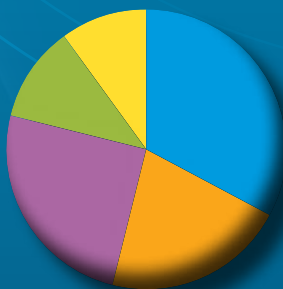
- Hyderabad**
 - International Tech Park Hyderabad
 - CyberPearl
 - aVance Hyderabad
 - CapitaLand Data Centre ITPH

- Mumbai**
 - Arshiya Panvel warehouses³
 - Building Q1, Aurum Q Parc
 - CapitaLand Data Centre Navi Mumbai 1

- Pune**
 - aVance Pune

COMPLETED FLOOR AREA
(% Breakdown by Area)

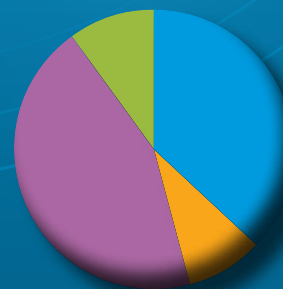
15.5
million sq ft



■ Bangalore	33%
■ Chennai	21%
■ Hyderabad	25%
■ Mumbai	11%
■ Pune	10%

POTENTIAL FLOOR AREA
(% Breakdown by Area)

8.4
million sq ft



■ Bangalore	37%
■ Chennai	9%
■ Hyderabad	44%
■ Mumbai	10%
■ Pune	9%

► For more details on our portfolio, go to pages 50 - 55.

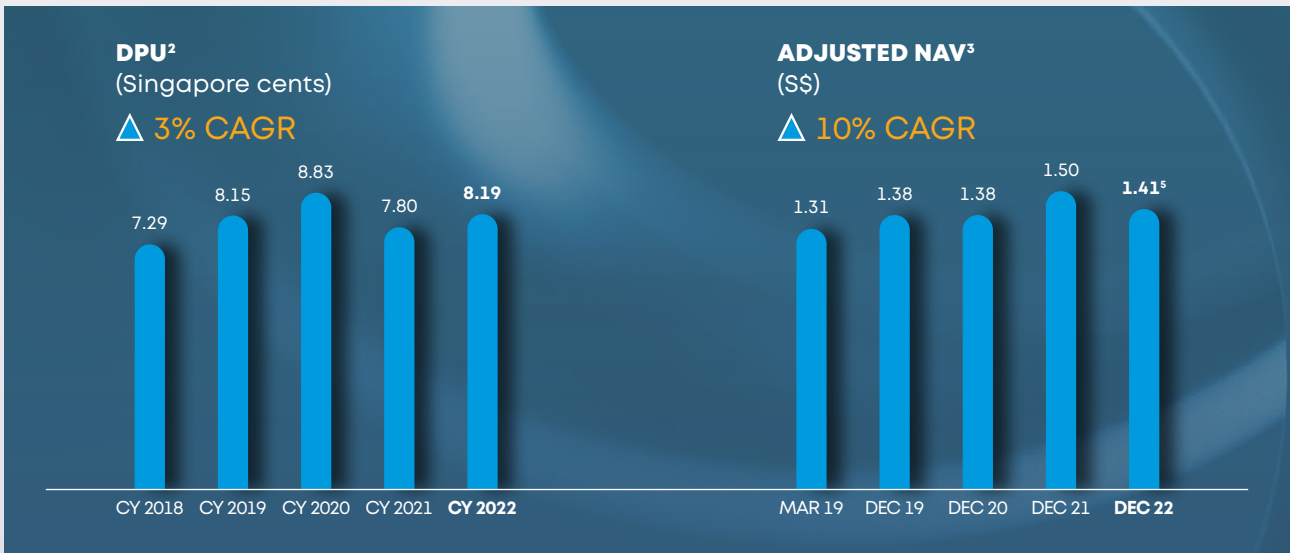
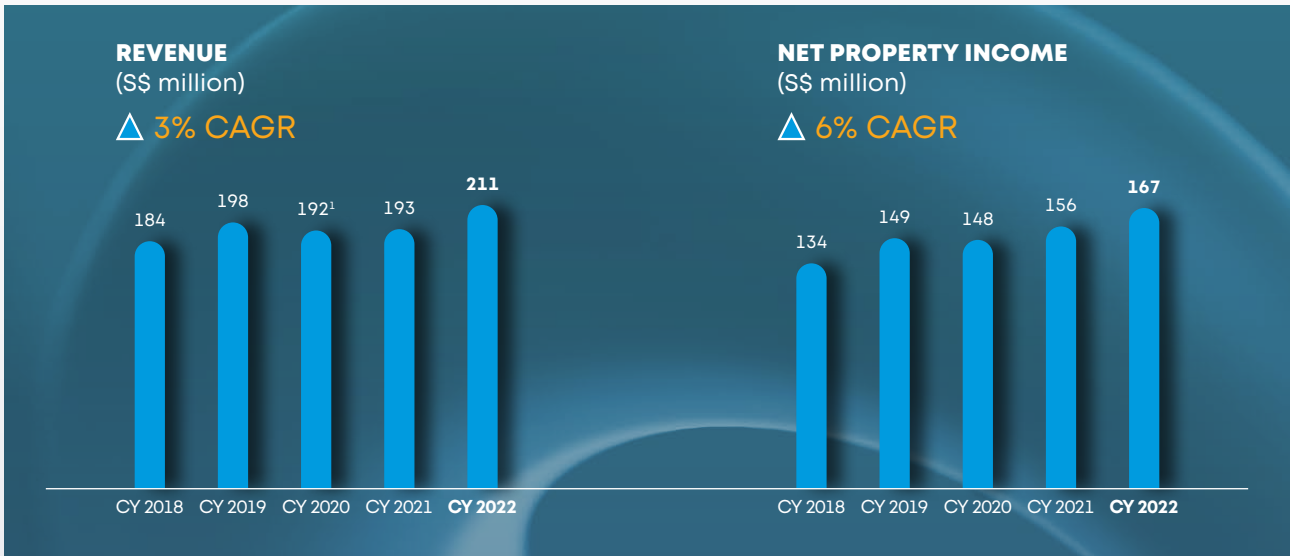
Note: Figures in above charts are as at 31 December 2022.

1 Acquired in May 2022.

2 Land acquired in December 2022 for planned development of a data centre.

3 Warehouse 7 was acquired in March 2022.

At A Glance



► For more details on our performance, go to pages 58 - 63.

Note:

With effect from 1 April 2019, CLINT's financial year end was changed from 31 March to 31 December. Calendar Year (CY) figures for 2018 and 2019 are used solely for comparative purposes only.

- 1 Impacted by lower utilities and carpark income due to COVID-19 pandemic.
- 2 Refers to distribution per unit post retention of 10% of income.
- 3 Adjusted net asset value per unit. Excludes deferred income tax liabilities on capital gains due to fair value revaluation of investment properties.
- 4 Includes reduction in floor area due to the demolition of Mariner building (0.2 million sq ft) in ITPH as part of the redevelopment.
- 5 Due to depreciation of Indian Rupee.

Significant Events

MARCH

- Completed the acquisition of our 7th warehouse at the Arshiya Free Trade Warehousing Zone in Panvel, Navi Mumbai.



Arshiya Warehouse 7

- Obtained new S\$100 million Sustainability-Linked Loan (SLL), further enhancing our commitment to sustainability.

APRIL

- CapitaLand India Trust's (CLINT) Annual General Meeting was held virtually and all resolutions were approved by Unitholders.

MAY

- Obtained new S\$300 million SLL, the largest SLL in quantum to date.

MAY (CONTINUED)

- Completed the acquisition of an Industrial Facility at Mahindra World City, Chennai (Phase 1), which is fully leased to a leading international electronics manufacturer.



Artist's impression of Industrial Facility at Mahindra World City, Chennai

JUNE

- Appointment of Ms Deborah Tan Yang Sock (Mrs Deborah Ong) as a Non-Executive Independent Director and a member of the Audit and Risk Committee of the Trustee-Manager, with effect from 1 June 2022.

JULY

- Announced the proposed acquisition of Phase 2 of Industrial Facility at Mahindra World City, Chennai via a forward purchase.

AUGUST

- Achieved 6th place out of 44 REITs¹ and business trusts in SGTI 2022².

¹ Real Estate Investment Trusts.

² Singapore Governance and Transparency Index 2022 – REIT and Business Trust Category.

SEPTEMBER

- CLINT, through CapitaLand Hope Foundation, launched the second Hope School in Krishnarajapuram, Bangalore to provide over 400 primary school children from low-income families with access to education.



Mr Sanjeev Dasgupta, CEO, CLINT (in the background) and Mr Gauri Nagabhushanam, CEO, India Business Park, CLI presenting school kits to the children at the inauguration of the second CapitaLand Hope School in Bangalore.

- Change of name of the business trust from “Ascendas India Trust” to “CapitaLand India Trust” and the Trustee-Manager from “Ascendas Property Fund Trustee Pte. Ltd.” to “CapitaLand India Trust Management Pte. Ltd.”, with effect from 27 September 2022.

NOVEMBER

- Signed a non-binding term sheet with L&T Realty to develop approximately 6 million sq ft of prime office spaces across Bangalore, Chennai and Mumbai.



Mr Sanjeev Dasgupta, CEO, CLINT (6th from left) and Mr Shrikant Joshi, CEO & MD, L&T Realty (7th from left) and their teams at the signing ceremony.

DECEMBER

- Signed a Memorandum of Understanding (MoU) with the Telangana Government to develop a data centre in International Tech Park Hyderabad (ITPH).
- Announced the proposed acquisition of 4.01-acre freehold land site to develop a data centre in Ambattur, Chennai.
- Announced the proposed acquisition of International Tech Park Pune – Hinjawadi (ITPP-H)³ in Pune.



International Tech Park Pune – Hinjawadi (ITPP-H)

- Retirement of Mr Chiang Chie Foo as Chairman and Non-Executive Independent Director of the Board of Directors of the Trustee-Manager, and Chairman of the Nominating and Remuneration Committee of the Trustee-Manager, with effect from 31 December 2022.

3 Subject to approval of unitholders at an extraordinary general meeting.

Chairman's Message

CLINT has grown significantly in the past 16 years since its listing on the Singapore Exchange and we are confident that we can continue this journey as Singapore's premier listed India-focused property trust. 



MANOHAR KHIATANI

Chairman

Non-Executive Non-Independent Director

Dear Unitholders

In 2022, India moved on from COVID-19 with normalcy returning on most fronts and the economy continuing its recovery. This was accompanied by a notable improvement in leasing momentum. However, the global trend of rising inflation and interest rates had a dampening impact on India as well. Over the year, the United States of America Federal Reserve increased interest rates by a total of 425 basis points. In the same period, the Reserve Bank of India (RBI) increased the repo rate by a total of 225 basis points from 4.00% at the start of the year to 6.25% by year end. India's inflation stood at 5.72% in December 2022.

The International Monetary Fund projects India's growth for the financial year ending 31 March 2023 to be 6.8% and 6.1% in the subsequent year, as compared to the growth of 8.7% in the fiscal year ended 31 March 2022. While growth rates will weaken given the challenging global environment, India's economy is expected to perform better than most other major economies.

FY 2022 FINANCIAL AND OPERATIONAL REVIEW

For the financial year ended 31 December 2022 (FY 2022), net property income (NPI) for CapitaLand India Trust (CLINT) grew by 7% to S\$166.8 million. While operating performance improved, the higher costs of borrowing impacted the bottom line.

FY 2022 DPU¹ was 5% higher at 8.19 Singapore cents as compared to the previous financial year, buoyed by higher portfolio occupancy and income contribution from new acquisitions.

More people are returning to the office and the physical park population across our IT parks increased from 11% at the start of the year to 46% by the end of the year. We expect this trend to persist in 2023 as more of our tenants are encouraging their employees to return to the office. Our tenants' requirements remain our priority, and our teams are in constant contact with them to understand and support their needs.

The leasing momentum in the Indian office market strengthened in 2022 with 56 million sq ft of IT park space leased. CLINT was able to lease or renew almost 3 million sq ft of space over the year and committed portfolio occupancy increased to 92%, compared to 87% in the previous year.

CONTINUING OUR PROACTIVE DIVERSIFICATION EFFORTS

The challenges and changes brought about by COVID-19 have validated CLINT's efforts to move beyond IT parks and build a resilient, well-diversified portfolio with multiple asset classes providing sustainable and stable income streams.

During the year, CLINT acquired its 7th warehouse in Arshiya Panvel, adding to the existing portfolio of six warehouses in the same location. In May 2022, CLINT added its first industrial asset with the acquisition of Casa Grande – Phase 1. This is a 0.42 million sq ft mobile phone manufacturing facility which was fully leased to a leading international electronics manufacturer. Two months later, CLINT announced the proposed acquisition of Phase 2 of the same project, comprising of two industrial facilities with a total leasable area of 0.31 million sq ft. The full leasing of Phase 1 underlines the demand for industrial assets in the micro-market, while Phase 2 gives us an excellent opportunity to scale up our exposure in this sector and expand our presence in Mahindra World City, a prime industrial corridor in Chennai.

In addition to logistics/industrial assets, CLINT has identified data centres as an asset class to further strengthen and diversify its portfolio. While India is the second largest social media user market globally, it has a very low data centre density of less than 1 Megawatt (MW) per million of population. This presents significant growth opportunities. The Indian Government has also been pushing for data localisation and digital payments, which should boost the data centre demand across technological, financial, media and healthcare sectors, amongst others.

1 Refers to distribution per unit post retention of 10% of income

Chairman's Message

During the year, CLINT made significant progress in developing its data centre portfolio. We received in-principle approval from MSETCL² for power capacity of up to approximately 108 MW for our Navi Mumbai data centre and will be starting construction soon. Plans were also announced to develop another two data centres in CLINT's existing IT parks – namely International Tech Park Hyderabad (ITPH) and International Tech Park Bangalore (ITPB) with capacities of approximately 41 MW and 42 MW respectively. We have also received in-principle approval from TSTRANSCO³ for power capacity of up to approximately 80 MW for the data centre at ITPH. Additionally, in December 2022, CLINT acquired a 4-acre land site in Chennai for the development of a greenfield data centre which will yield a power capacity of approximately 54 MW. With these four assets, CLINT will have a portfolio of well-located data centres in key cities, positioning it well to ride on the growth of this exciting asset class. CLINT will leverage on the sponsor's expertise to develop and operate these data centres.

POSITIONED FOR GROWTH

As at end 2022, CLINT's assets under management (AUM) stood at S\$2.5 billion and total portfolio of completed properties reached 15.5 million sq ft, representing a compounded annual growth rate of 10% per year since listing in 2007. During the year, we continued to search for and uncover attractive opportunities to strengthen our portfolio.

In November 2022, CLINT jointly announced with L&T Realty, a renowned Indian developer, plans to develop approximately 6 million sq ft of prime office spaces in Bangalore, Chennai, and Mumbai. Under this collaborative platform, L&T Realty will construct the buildings while CLINT will market them. The platform provides CLINT an opportunity to scale up its portfolio significantly in three major cities in India, where CLINT already has an established presence and customer base.

On 29 December 2022, CLINT announced the proposed acquisition of International Tech Park Pune – Hinjawadi (ITPP-H)⁴ from its sponsor. ITPP-H is a 2.3 million sq ft IT park fully leased to prominent IT/ITES tenants such as Infosys Ltd., Synechron Technologies Pvt. Ltd. and Tata Consultancy Services Ltd. The acquisition of ITPP-H will significantly increase the Trust's total portfolio of completed properties and will enhance the Trust's stable returns.

In January 2023, CLINT announced the proposed acquisition of a 1 million sq ft IT park in Outer Ring Road, Bangalore. This IT park is situated in Bangalore's largest office micro-market with access to the international airport and close proximity to the city centre. The micro-market currently houses many multinational tenants like Google, Amazon, Goldman Sachs and JP Morgan.

As at 31 December 2022, CLINT has a total development potential of 8.4 million sq ft in its portfolio. Phase 1 of the redevelopment of ITPH was completed in January 2023 and to date, is 73%⁵ committed. The planned development of a data centre in ITPH forms part of the subsequent phases.

CLINT's portfolio leasable area is estimated to grow by 65% to 25.7 million sq ft based on its committed growth pipeline. Further, CLINT has the option to acquire from its sponsor stabilised, quality income-producing logistics assets.

SUSTAINABILITY AT THE CORE OF CLINT'S GROWTH

Aligned with CapitaLand's 2030 Sustainability Master Plan, the Board remains firmly committed to embedding environmental, social and governance (ESG) considerations in all aspects of our business. The SGTI 2022⁶ scorecard validated our efforts as we climbed one rank to 6th place. As at 31 December 2022, the Trust had a total of S\$593 million⁷ sustainability-linked loans, comprising about 48% of its total loan books on an effective borrowings basis. In line with our green efforts, we have improved the green-certified proportion of our portfolio from 78% in 2021 to 87% in 2022.

2 Maharashtra State Electricity Transmission Company Limited

3 Transmission Corporation of Telangana Limited

4 Subject to unitholders approval at an extraordinary general meeting

5 Lease deed/letter of intent executed including options and rights of first refusal

6 Singapore Governance and Transparency Index 2022 – REIT and Business Trust Category

7 A further S\$57 million remains undrawn as at 31 December 2022

CLINT places strong emphasis on engaging its stakeholders and with things returning to normal following COVID-19, we stepped up on our community initiatives and events to forge deeper bonds with our tenants and local community. Amongst them are the Livewire event held at ITPB, in which many of our parkites participated in various contests and enjoyed the performances. We also screened matches from the India Premier League to welcome our tenants' employees back to the office. We completed construction of the second CapitaLand Hope School in Bangalore, which will benefit more than 400 children.

LOOKING AHEAD

For 2023, Indian IT companies are expected to continue the positive trajectory of revenue growth and headcount addition. The Indian government has also committed to sustaining strong economic growth via government capital spending, as highlighted by the Finance Minister in her 2023 Budget speech. This bodes well for our business.

The global macroeconomic environment will continue to present some challenges but we shall remain disciplined and focused on our objectives. We will continue with our efforts to proactively diversify into the logistics/industrial and data centre asset classes, while growing our IT park portfolio in attractive micro-markets. At the same time, we will leverage our strong operations capabilities and customer relations to understand our tenants needs and serve them better. CLINT's sponsor, with its deep expertise, will be an important strategic partner in these initiatives.

ACKNOWLEDGEMENTS

Mr Chiang Chie Foo who served as Chairman of the trustee-manager of CLINT since 8 July 2016 stepped down on 31 December 2022. On behalf of the Board and Management, I would like to express our deep gratitude to Mr Chiang Chie Foo for his dedicated service and exemplary contributions to CLINT. We have benefitted tremendously from his vision, deep insights and leadership and wish him all the

best in his future endeavours. We also welcome Mrs Deborah Ong to the Board and Audit and Risk Committee. Deborah brings with her a wealth of experience and knowledge and we look forward to her contributions.

On behalf of the Board, I also wish to thank management and our dedicated teams across Singapore and India for their strong contributions. The last few years have been challenging but your resilience, commitment and dedication has enabled CLINT to deliver a creditable performance. To our Unitholders, tenants, business partners and all stakeholders, we are grateful for your confidence and trust. CLINT has grown significantly in the past 16 years since its listing on the Singapore Exchange and we are confident that we can continue this journey as Singapore's premier listed India-focused property trust.

MANOHAR KHIATANI

Chairman & Non-Executive
Non-Independent Director

Q&A With CEO

Our focus is to forge even stronger tenant relationships and ensure occupancy in our existing portfolio is maximised. At the same time, we will continue to invest in quality assets across various asset classes and micro-markets.



▲
SANJEEV DASGUPTA
Chief Executive Officer
Executive Non-Independent Director

Office leasing demand seems to have picked up in 2022. What are the next steps for leasing up existing vacancies as at 31 December 2022?

In 2022, we saw significant pick up in leasing in our portfolio. This is evident in the increase in the committed occupancy of International Tech Park Chennai from 65% as at end 2021 to 92% as at end 2022. The occupancy of International Tech Park Bangalore increased from 91% to 96% during the year. This is testament to our teams' efforts and the quality of our IT parks driven by the continued demand for office space in this sector.

Leasing up space for Special Economic Zone (SEZ) buildings faced a continued challenge due to the current regulations. We expect some changes to these regulations in 2023 and this should facilitate the leasing of available space in our existing SEZ buildings.

How will the existing high interest rate environment affect CLINT's business? What is Management's plan to tackle this?

Our approach to mitigating the impact of the rising interest rate environment is our prudent and disciplined capital management strategy, in which CLINT hedges a portion of its loan books to fixed-rate debt. As at 31 December 2022, 76% of CLINT's loan portfolio is hedged to fixed rate, thereby significantly mitigating the impact of the rising interest rates.

At the same time, CLINT continuously seeks to expand its relationships with existing and new lenders and constantly evaluates the financial impact of various options whenever funds are required for investments. This approach gives us the advantage to always obtain the optimum cost of financing for CLINT.

CLINT announced plans to develop several data centres during the year. How will this development impact CLINT's DPU and net profits?

The acceleration in adoption of technologies such as 5G, Internet of Things, digital payment, and laws for data localisation have continued to drive the demand for data centre assets in India. The compounded annual growth rate for data centres is projected to be 22% from 2022 to 2026¹, and CLINT seeks to tap into the growing demand as we diversify our portfolio.

In 2022, we announced plans to build another three data centres – one in Chennai, and another two in our existing IT parks². Careful planning and management of the progress of developments of the various data centres ensures that the cost of development is spread out to minimise any impact to our distribution per unit. We believe that the advantages that come with developing our own state-of-the-art data centres far outweigh the near-term impact, as our data centres will boost our portfolio income in the long term and enhance income stability.

Further, developing the two data centres in our existing IT parks creates leasing synergies with our existing tenant base. We are also able to leverage the sponsor's expertise in the design, development and marketing of our data centres – a key value proposition that benefits CLINT.

What is your focus for CLINT in 2023?

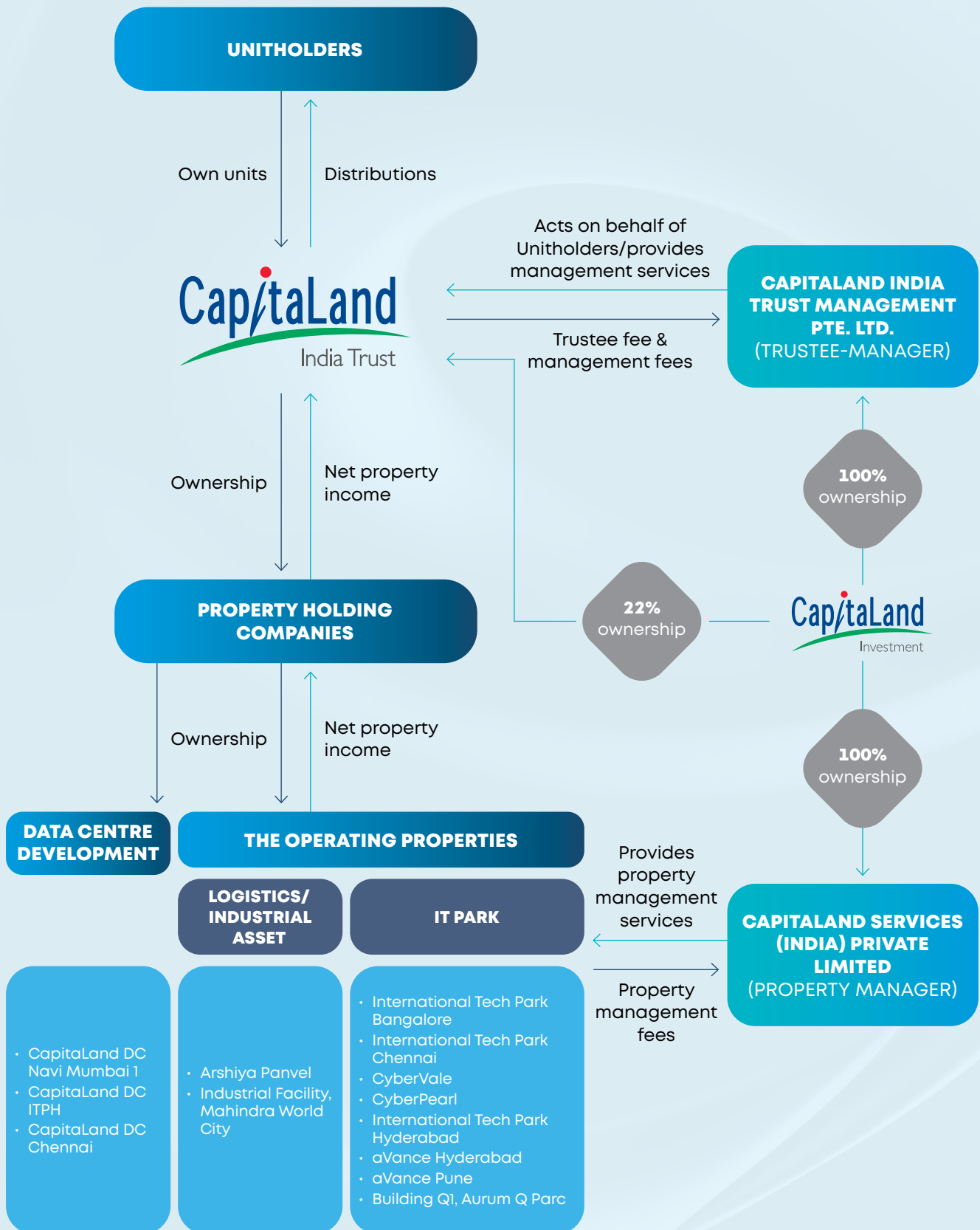
Our focus will be to forge even stronger tenant relationships and ensure occupancy in our existing portfolio is maximised. At the same time, we will continue to invest in quality assets across various asset classes and micro-markets as we strategically diversify our portfolio and build multiple resilient income streams. We do this with the objective of ensuring sustainable and stable long-term returns for our Unitholders. We shall also focus on our ESG initiatives – greening our portfolio and growing as a socially responsible business trust with high governance standards.

1 JLL Research

2 International Tech Park Hyderabad and International Tech Park Bangalore

Trust & Organisation Structure

As At 31 December 2022



TRUST OVERVIEW

Enhanced Stability

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

- adherence to safeguarding provisions on allowable investments as defined under Monetary Authority of Singapore's Property Funds Appendix;
- gearing ratio capped at 50%¹;
- property development activities limited to 20% of Trust property; and
- minimum 90% of distributable income to be distributed.

Tax-exempt Distributions

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

Asset and Property Management

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

CAPITALAND INDIA TRUST MANAGEMENT PTE. LTD. (TRUSTEE-MANAGER)



- ▶ For more details on the Board of Directors, go to pages 16 - 21.
- ▶ For more details on the Trustee-Manager, go to pages 22 - 24.

1 From 1 January 2022, the gearing ratio is capped at 45% but may exceed 45% (up to a maximum of 50%) only if the Trust has a minimum adjusted interest coverage ratio (as defined by the Property Funds Appendix) of 2.5 times.

Board of Directors



▲
MANOHAR KHIATANI
Chairman
Non-Executive Non-Independent Director



▲
SANJEEV DASGUPTA
Chief Executive Officer
Executive Non-Independent Director



▲
ERNEST KAN YAW KIONG
Non-Executive Independent Director



▲
TAN SOON NEO JESSICA
Non-Executive Independent Director



▲
ALAN RUPERT NISBET
Non-Executive Lead Independent Director



▲
ZIA JAYDEV MODY
Non-Executive Independent Director



▲
**DEBORAH TAN YANG SOCK
(MRS DEBORAH ONG)**
Non-Executive Independent Director



▲
JONATHAN YAP NENG TONG
Non-Executive Non-Independent Director

Board of Directors

▶ **MANOHAR KHIATANI, 63**

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

Length of service as a Director

(as at 31 December 2022)

9 years 7 months

▶ **SANJEEV DURJHATI PRASAD DASGUPTA, 55**

Chief Executive Officer
Executive Non-Independent Director

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

Date of first appointment as a Director

1 October 2014

Length of service as a Director

(as at 31 December 2022)

8 years and 3 months

Board committees served on

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

Present directorship in other listed company

- CapitaLand Ascendas REIT Management Limited (manager of CapitaLand Ascendas REIT)

Present principal commitments

- CapitaLand Investment Limited (Senior Executive Director)
- Singapore Economic Development Board (Special Advisor to Chairman)
- 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 directorship in other listed company held over the preceding three years

- SIA Engineering Company Limited

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)

Background and working experience

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

▶ **ALAN RUPERT NISBET, 72**
Non-Executive Lead Independent Director

- Diploma in Business Studies, Accounting from the Caulfield Institute of Technology, Melbourne

Date of first appointment as a Director

30 September 2015

**Length of service as a Director
(as at 31 December 2022)**

7 years and 3 months

Board committees served on

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

Present directorship in other listed company

- Keppel REIT Management Limited (manager of Keppel REIT)

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

- Halcyon Agri Corporation Limited
- 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)

▶ **ZIA JAYDEV MODY, 66**
Non-Executive Independent Director

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

Date of first appointment as a Director

1 February 2018

**Length of service as a Director
(as at 31 December 2022)**

4 years and 11 months

Board Committees served on

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

Present directorship in other listed company

- 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

Board of Directors

▶ **ERNEST KAN YAW KIONG, 65**
Non-Executive Independent Director

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

Date of first appointment as a Director

20 November 2020

Length of service as a Director (as at 31 December 2022)

2 years and 1 month

Board Committee served on

- Audit and Risk Committee (Member)

Present directorship in other listed company

- Zheneng Jinjiang Environment Holding Company Limited

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)

▶ **TAN SOON NEO JESSICA, 56**
Non-Executive Independent Director

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

Date of first appointment as a Director

20 November 2020

Length of service as a Director (as at 31 December 2022)

2 years and 1 month

Board Committees served on

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

Present directorship in other listed company

- SATS Ltd.

Present principal commitments

- Parliament of Singapore (Member of Parliament, East Coast GRC)
- Parliament of Singapore (Deputy Speaker)
- CGH Fund (Committee Member)
- East Coast Town Council (Chairman)
- Finance, Trade & Industry and Communications & Information Government Parliamentary Committees (Member)
- Nanyang Polytechnic (Vice Chairman, Board of Governors)
- Singapore Management University, The School of Information Systems (Member, Board of Advisors)
- Netball Singapore (Board Member and President)

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

- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust¹)

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.

Award

- Singapore Computer Society IT Leader Award 2015

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

▶ **DEBORAH TAN YANG SOCK**
(MRS DEBORAH ONG), 63
Non-Executive Independent Director

- Bachelor of Accountancy (Honours), National University of Singapore
- Fellow, Institute of Singapore Chartered Accountants
- Fellow, Certified Practising Accountants of Australia

Date of first appointment as a Director

1 June 2022

**Length of service as a Director
(as at 31 December 2022)**

7 months

Board Committee served on

- Audit and Risk Committee (Member)

Present directorship in other listed company

- SATS Ltd.

Present principal commitments

- Monetary Authority of Singapore (Board Member)
- SkillsFuture Singapore (Board Member)
- Workforce Singapore (Board Member)
- Lee Kong Chian School of Medicine Governing Board at Nanyang Technological University (Board Member)
- Wealth Management Institute Limited (Director)
- The Judicial Service Commission (Member)
- MILK (Mainly I Love Kids) Fund (Member)

Background and working experience

- Partner, PricewaterhouseCoopers LLP, Singapore (From 1 July 1993 to 31 October 2020)

Awards

- Public Service Medal at the Singapore National Day Awards 2015
- Public Service Star at the Singapore National Day Awards 2020

▶ **JONATHAN YAP NENG TONG, 55**
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

**Length of service as a Director
(as at 31 December 2022)**

6 Years and 5 months

Board committee served on

- Investment Committee (Member)

Present directorships in other listed companies

- CapitaLand Integrated Commercial Trust Management Limited (manager of CapitaLand Integrated Commercial Trust)
- CapitaLand Malaysia REIT Management Sdn. Bhd. (manager of CapitaLand Malaysia Trust)

Present principal commitments

- CapitaLand Investment Limited (CEO, Listed Funds)
- Institute of South Asian Studies, National University of Singapore (Member, Management Board)

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

- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust¹)

Background and working experience

- CEO, Fund Management of CapitaLand Investment Limited (From September 2021 to April 2022)
- 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, CapitaLand India Trust Management Pte. Ltd. (from June 2007 to September 2014)

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

Trustee - Manager



▲ **ROHITH BHANDARY**
Head, Investments

▲ **CHEAH YING SOON**
Chief Financial Officer

▲ **SANJEEV DASGUPTA**
Executive Director and
Chief Executive Officer

▲ **SUMIT GERA**
Head, Portfolio Management

▶ **SANJEEV DASGUPTA**
Executive Director
and Chief Executive Officer

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

Mr Dasgupta has around 27 years of experience in the areas of real estate fund management, corporate finance, strategy and financial control. Prior to joining the Trustee-Manager, he was President of Real Estate at ICICI Venture Funds Mgmt. Co. Ltd. (ICICI Venture), a leading private equity fund manager in India. In that role, he was responsible for investments and portfolio management of the Real Estate funds of around US\$600 million. Before joining ICICI Venture, he managed real estate investments of around US\$430 million as Managing Director at Future Capital Real Estate, a leading real estate development-oriented fund manager. He led several landmark investments in metros such as Mumbai and Bangalore and in high growth tier 2 cities. His prior work experience included stints with organisations such as Tata Group and Merrill Lynch across India, Hong Kong and London.

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

▶ **CHEAH YING SOON**
Chief Financial Officer

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

Mr Cheah has more than 20 years of experience in financial management, portfolio and asset management. Prior to his current appointment, he was a senior director of CapitaLand Investment Limited (CLI), overseeing asset management and investor reporting of private funds with assets located in Asia-Pacific. Prior to joining CLI in 2018, he held various positions with ARA Asset Management, responsible for financial reporting and portfolio management of private funds. Mr Cheah worked briefly in Alpha Investment Partners and was a senior finance manager at LaSalle Investment Management from 2006 to 2011, responsible for financial reporting of investments in the region. Mr Cheah started his career with CapitaLand Limited in 2000, and was selected for overseas secondment as finance manager to its offices in China for a period of over two years.

Mr Cheah holds a Master of Business Administration (Finance) from the Nottingham University. He also holds professional certificates issued by Association of Chartered Certified Accountants (ACCA) and Chartered Institute of Management Accountants (CIMA).

Trustee - Manager

▶ **ROHITH BHANDARY**
Head, Investments

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

Mr Bhandary has over 24 years of work experience across real estate, private equity and corporate finance. His real estate experience spans across private equity, project finance and advisory. Prior to joining the Trustee-Manager, Mr Bhandary was co-head of Real Estate Investment Practice at ICICI Venture where he managed investments of about INR13 billion across multiple equity and debt real estate funds. His track record includes funds which have delivered a gross Internal Rate of Return of over 22%. Prior to joining ICICI Venture, Mr Bhandary was an Investment Principal at Actis India Real Estate Fund. Earlier, he worked with ICICI Bank in the Construction Realty & Funding group where he managed bank relationships with large real estate developers.

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

▶ **SUMIT GERA**
Head, Portfolio Management

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

Mr Gera has over 17 years of experience in pan-Asia real estate investments, fund and portfolio management. Prior to joining the Trustee-Manager, Mr Gera was Head of India Investments and Capital Partnerships at Ascendas-Singbridge Group. In this role, he was responsible for managing India focused private equity partnerships, and portfolio and investment management for the Group's India investments.

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

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

Property Manager

▶ **GAURI SHANKAR NAGABHUSHANAM**

Chief Executive Officer
CapitaLand Services (India) Private Limited

Mr Nagabhushanam was appointed Chief Executive Officer of CapitaLand Services (India) Private Limited with effect from 1 April 2022. He is also the Chief Executive Officer of India Business Parks, CapitaLand Investment Limited.

In his role, Mr Nagabhushanam oversees investments, development, operations, asset management, branding, and strategic planning for CapitaLand Group's business parks in India and leads the expansion and enhancement of the Group's portfolio of assets in the country.

He was previously based in Mumbai, where, as the Head of Investments and CFO, he helped set up and scale Ascendas-Firstspace – CapitaLand's industrial and logistics platform in India. Prior to that, Mr Nagabhushanam worked in Singapore, managing Ascendas-Singbridge's India Private Funds business.

Mr Nagabhushanam has more than 20 years of experience in real estate, diversified across multiple asset classes and geographies. Within real estate, he has worked in private equity, fund management, corporate finance, banking and advisory. His previous stints include those at Deloitte, TAIB Bank and Samba Financial Group.

He has a Master of Finance from London Business School and an undergraduate degree from the Sri Sathya Sai Institute of Higher Learning.

▶ **ANANTH NAYAK**

Chief Financial Officer
CapitaLand Services (India) Private Limited

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

He joined Ascendas-Singbridge Group in November 2018. He has spent over 26 years working in India across a diverse set of industries and has handled Finance for the most of his career.

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

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

Strategy

Mission

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



Objective

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

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

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

What We Do

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

We provide sustainable and high-quality working environment and nurture strong relationships with tenants.

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

▶ To read more, go to pages 32 - 35.

▶ To read more, go to pages 36 - 39.

▶ To read more, go to pages 40 - 41.



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

To help investors make informed investment decisions on CLINT.

To run our business in a sustainable and responsible manner.

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

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

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

▶ To read more, go to pages 42 - 47.

▶ To read more, go to pages 48 - 49.

▶ To read more, go to pages 66 - 119.

Market Review

Source: CBRE Research

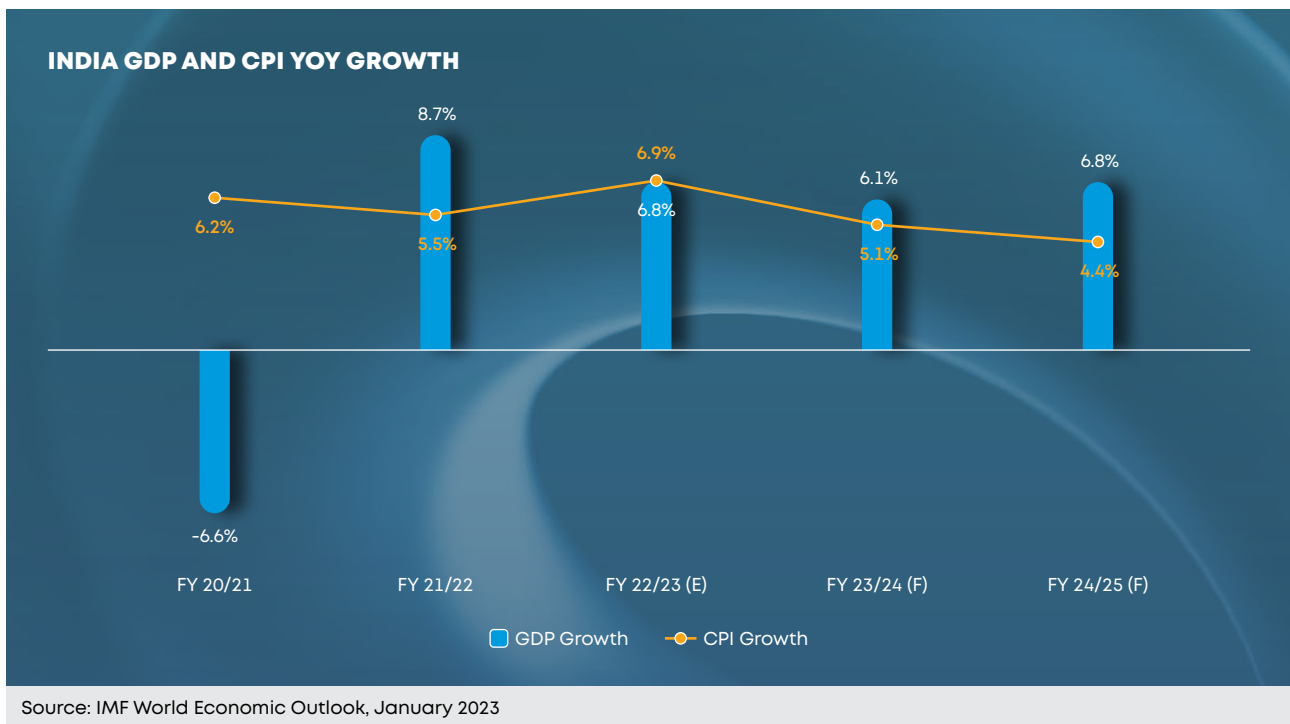
INDIA ECONOMIC OVERVIEW

India remains one of the world's fastest growing large economies and, in 2022, it overtook the United Kingdom to become the fifth largest economy in the world and continued being the third largest economy in terms of purchasing power parity¹.

India has seen a healthy post-pandemic rebound, with GDP growth of 8.7% in FY 21/22 and estimated 6.8% in FY 22/23. Though FY 23/24 GDP growth is forecasted to be slightly lower at 6.1%, strong fundamentals

coupled with favourable policy reforms will likely continue to propel India's economic growth².

CPI growth is estimated at 6.9% in FY 22/23², an increase from 5.5% reported in FY 20/21, primarily due to increasing food prices and input costs. However, CPI growth is forecasted to moderate over the next two years, to 5.1% in FY 23/24 and 4.4% in FY 24/25, due to a reduction in food inflation and the impact of tightening monetary policy.



1 IMF World Economic Outlook, October 2022
2 IMF World Economic Outlook, January 2023

IT INDUSTRY OVERVIEW

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

Particulars	Unit	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
IT-BPM Revenues*	US\$ billion	177	191	196	226	245
Growth in IT-BPM Revenue	%	6.1	7.7	2.3	15.5	8.4
Exports	US\$ billion	136	147	151	178	194
Exports Growth	%	8.3	8.1	2.7	17.8	9.4
Exports as % of Total Revenues	%	77	77	77	78	79
Employment	Million	4.1	4.3	4.5	5.1	5.4
Increase in Employment	'000	135	205	138	445	295

* These values exclude revenues from the e-commerce sector
Source: NASSCOM, Department of Electronics & Information Technology

The Indian IT-BPM industry has remained resilient despite volatility in global markets. The National Association of Software and Services Companies (NASSCOM) estimated an 8.4%³ YoY revenue growth in the IT-BPM industry in FY22/23.

Accounting for 7.5%³ of India's GDP in FY 22/23, the IT-BPM industry continues to be a significant growth driver for the Indian economy and is expected to contribute 10% of the country's GDP by 2025.

The industry also registered 9.4% YoY growth in exports to approximately USD 194 billion, adding 295,000 net new hires in FY 22/23.

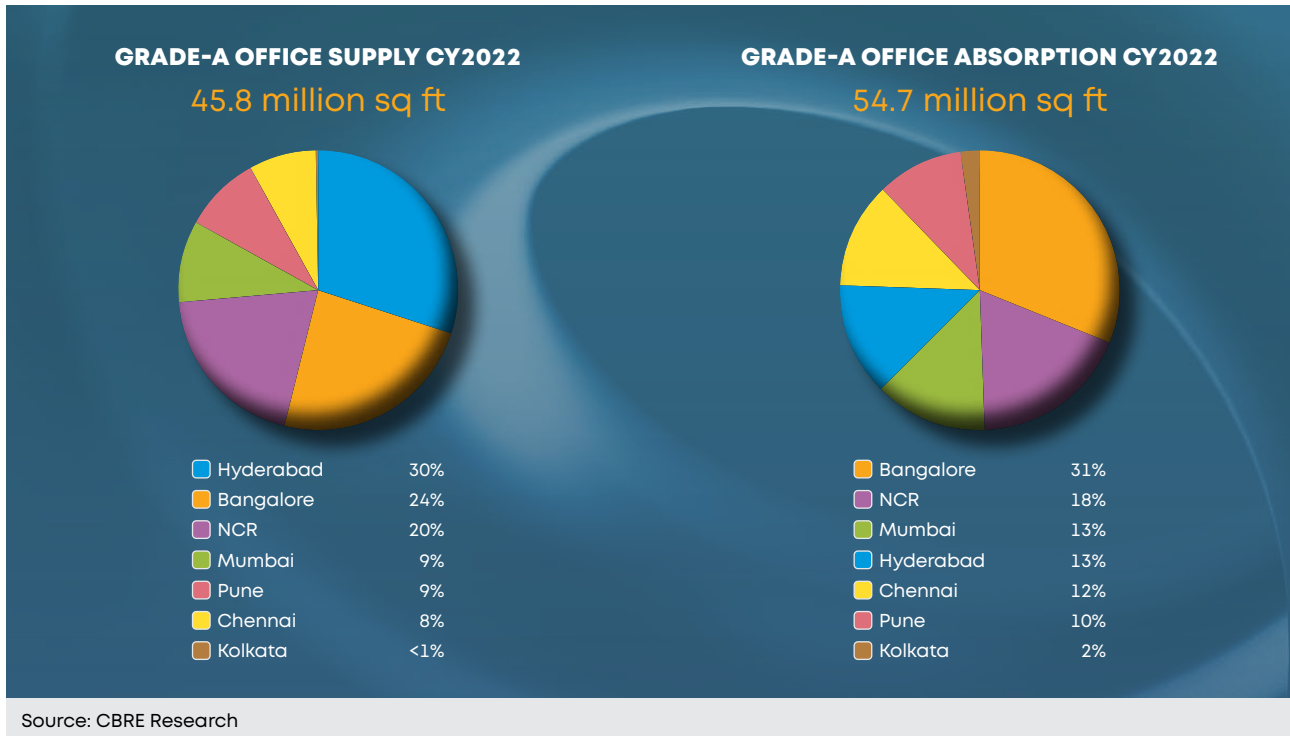
In 2023, IT-BPM firms remain focused on enhancing capability via acquisitions and partnerships, as well as driving talent development by up-skilling and re-skilling employees into emerging technology sectors such as deep learning, augmented/virtual reality and robotics.

Market Review

Source: CBRE Research

OFFICE MARKET OVERVIEW

India's office market is concentrated in seven key cities, where majority of the investment-grade office stock is located.



Supply Trend

The Indian commercial office segment (seven key cities of Bangalore, Chennai, Hyderabad, Kolkata, Mumbai, NCR and Pune) added 45.8 million sq ft of Grade-A stock in 2022, down 4.5% YoY from 48.0 million sq ft in 2021. Hyderabad constituted the highest supply addition of 13.8 million sq ft, followed by Bangalore at 10.9 million sq ft. Bangalore, Chennai, Hyderabad, Mumbai, and Pune, the cities where the Trust properties are located, collectively accounted for 80% of the supply in 2022, compared to 78.8% in 2021.

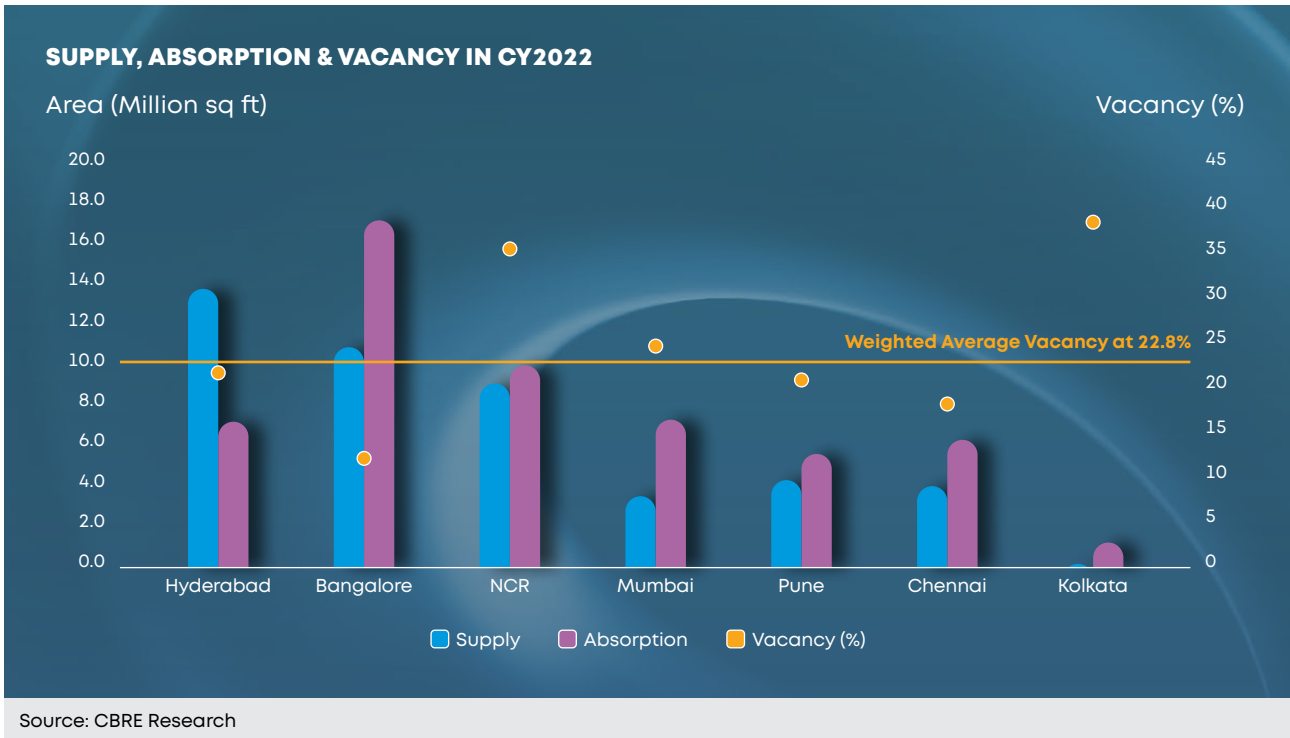
Absorption Trend

Commercial office absorption across the seven key cities in 2022 was approximately 54.7 million sq ft, which was a 37.4% increase as compared to 39.8 million sq ft in 2021.

Bangalore accounted for the highest office absorption among the seven key cities, with approximately 17.2 million sq ft, followed by NCR (10.0 million sq ft) and Mumbai (7.3 million sq ft).

Bangalore, Chennai, Hyderabad, Mumbai, and Pune, cities where the Trust properties are located, collectively registered a gross absorption of 43.6 million sq ft, accounting for approximately 79.7% of total absorption across the seven key cities in 2022.

IT-BPM companies were the primary demand drivers, contributing 31.4% of overall demand in the seven key cities. Engineering and manufacturing sector made up 14.6% of absorption, followed by co-working and flexible space operators which accounted for approximately 14.3% each. As the market emerges from COVID-19, occupiers continue to focus on higher quality space in a flight to quality.



Vacancy Trend

The weighted average vacancy levels across the seven key cities saw a marginal increase and was recorded at 22.8% in 2022 as compared to 22.5% in 2021. Kolkata and NCR reported the highest vacancy levels across the seven cities at 38.7% and 35.7% respectively.

Outlook

Though global GDP growth in CY2023 is projected at 2.9%, India is poised to record relatively higher growth of 6.1% in FY 23/24. The IT-BPM industry remains one of the largest contributors to economic growth, accounting for 7.5% of India's GDP in FY 22/23 and expected to increase to approximately 10% by 2025⁴.

The growth in the IT-BPM industry, coupled with gradual reversal of work-from-home trends, is expected to provide tailwinds to demand for office leasing in India. The outlook for commercial office space in 2023 is expected to be healthy, with positive leasing momentum.

Investment Management

OVERVIEW

Objective

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

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

DEVELOPMENT STRATEGY

Since listing, CLINT has developed 5.6 million sq ft of commercial space from its land bank. The Trust continues to hold substantial land in Hyderabad, Bangalore, Chennai and Navi Mumbai, with total development potential of 8.4 million sq ft¹.

In Hyderabad, we are redeveloping International Tech Park Hyderabad (ITPH) to maximise the leasable space, rejuvenate the park, and leverage on the growth of leading US, European and Indian tech companies. The redevelopment of ITPH would unlock significant value for Unitholders as it increases the development potential without incurring incremental land cost. We are redeveloping ITPH in phases over the next seven to ten years to increase the leasable area from 1.3 million sq ft² to 4.9 million sq ft. Phase I, a new 1.4 million sq ft multi-tenanted building was completed in January 2023 and 73% of the leasable area has been committed³ to tenants. We also commenced the development of a data centre (41 MW power load) in place of Mariner building in 1Q 2023.

In Bangalore, we have commenced the development of a new IT building (0.8 million sq ft) within International Tech Park Bangalore (ITPB). The remaining 2.3 million sq ft of development potential within ITPB will be developed in phases over the coming years. Development of a data centre within ITPB is expected to commence in 4Q 2023.

In Chennai, CyberVale has a 4.4 acre vacant plot with the potential to develop a 0.4 million sq ft IT building. Construction will commence when we have clear visibility of leasing demand in that micro-market. We are also developing a 54 MW power load data centre at Ambattur Industrial Estate on a 4.0-acre plot that was acquired in December 2022. Construction is scheduled to commence in 2H 2023 and the data centre is expected to be ready by 4Q 2025.

In Navi Mumbai, we are developing a data centre (108 MW power load in 2 phases). Phase 1 of the project with 54 MW power load is scheduled to be ready by 4Q 2024.

ACQUISITION STRATEGY

We pursue acquisitions that offer attractive cash flows and returns relative to CLINT's weighted average cost of capital. We are also focused on enhancing the diversification of the portfolio and optimising risk-adjusted returns to Unitholders. We have acquired 6.8 million sq ft of leasable area since listing.

While IT/ITES office space continues to be a key segment, we are also increasing our focus on other fast-growing segments like data centres, logistics and industrial assets.



Anchor Annex building, ITPB

¹ Includes buildings under construction as of December 2022

² Excludes the leasable area of Auriga building (0.2 million sq ft) and Mariner building (0.2 million sq ft) which have been demolished

³ Lease deed/letter of intent executed including options and rights of first refusal

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

We are actively evaluating logistics/warehousing opportunities across India. We are sharpening our focus on the industrial asset segment to capitalise on the growing demand from companies looking to set up manufacturing facilities in India.

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

We focus on the following criteria when evaluating new acquisitions:

- Location – access to public transportation and skilled workforce, proximity to residential developments and social infrastructure.
- Tenancy profile – the credit standing of tenants and diversification of tenant base.
- Design and specification – the quality of the property, including its size, age and state of maintenance.
- Land title and land tenure – to ensure clear and marketable title, and reasonably high residual land tenure.

- Rental and capital growth prospects – its current rent and capital value compared to comparable properties, the overall market outlook and potential growth factors.
- Opportunity to add value – the potential to increase rental/occupancy rates or enhance value through selective renovations and/ or other enhancement works.

Sponsor Pipeline

CLI has granted CLINT the Right of First Refusal (ROFR) to acquire its stake from the following entities, upon project completion and stabilisation:

- CLI India, which holds majority stake in International Tech Park Pune - Hinjawadi, an IT SEZ in Pune, with 2.3 million sq ft of completed space; and
- Ascendas-Firstspace platform (ASB FS), a joint venture between CLI and Firstspace Realty for investments in logistics and industrial infrastructure.

CLI has granted CLINT the Right of First Offer (ROFO) to acquire its stake from the following entity, upon project completion and stabilisation:

- Ascendas India Growth Programme (AIGP), a real estate investment programme that targets business space developments. CLI India owns a stake of 30% in AIGP.



International Tech Park Pune - Hinjawadi

Investment Management

Forward Purchase

CLINT has invested in forward purchase deals where the initial funding is structured in the form of debt with security of the underlying land, assets under construction, pledge of shares of the project entity and receivables. Active project monitoring is done by our appointed in-house team to monitor timelines and quality specifications.

The deal structure helps the developer to achieve financial closure and CLINT has been able to acquire

properties at reasonable valuations. This structure is expected to continue to provide CLINT with a pipeline of opportunities at strategic locations.

In May 2022, we completed the acquisition of a fully leased 0.4 million sq ft industrial facility at Mahindra World City, Chennai, which is part of our committed forward purchase pipeline from Casa Grande Group, for a gross consideration⁴ of INR 2.12 billion.

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

Committed Pipelineⁱ

Asset Class	Project Name	Location	Building	Estimated Floor Area (million sq ft)	Expected Total Consideration ⁱⁱ	Expected Time of Completion/Status
IT Park	aVance Hyderabad	HITEC City, Hyderabad	aVance 5	1.16	₹8.4 billion (\$\$168 million)	Occupancy Certificate received
	aVance Business Hub 2	HITEC City, Hyderabad	A1	0.83	₹6.5 billion (\$\$129 million)	2H 2024
			Development Potential	3.92	To be finalised	Development timelines to be finalised
	AURUM IT SEZ	Ghansoli, Navi Mumbai	Building 2	0.85	₹5.4 billion (\$\$108 million)	Occupancy Certificate received
	BlueRidge 3	Hinjawadi, Pune	Phase 1	1.35	₹10.3 billion (\$\$204 million)	Occupancy Certificate received
			Phase 2	0.56		2H 2025
	Gardencity	Bellary Road, Bangalore	Project I	1.26	₹11.2 billion (\$\$209 million)	2H 2024
			Project II	0.39	₹3.2 billion (\$\$59 million)	2H 2024
Ebisu Project	Outer Ring Road, Bangalore	Building 1	1.00	₹12.3 billion (\$\$201 million)	2H 2025	
Logistics Park	Arshiya Panvel	Panvel, near Navi Mumbai	Development Potential	2.47	To be finalised	Development timelines to be finalised
	Arshiya Khurja	Khurja, NCR	1 Warehouse	0.19	₹1.0 billion (\$\$19 million)	Upon completion of Conditions Precedent
Industrial	Casa Grande – Phase 2	Mahindra World City, Chennai	2 Industrial Facilities	0.31	₹1.6 billion (\$\$28 million)	2H 2023

i Committed pipeline as at 28 February 2023

ii Based on exchange rate at the time of investment/announcement

⁴ Excludes transaction expenses; gross consideration is subject to working capital adjustments on completion of the transaction



CASE STUDY

ITPH REDEVELOPMENT

In January 2023, CLINT completed the construction of the first phase of redevelopment at International Tech Park Hyderabad. Phase 1 is a 1.38 million sq ft Grade A IT Building that has been developed in place of the erstwhile Auriga building (0.2 million sq ft). 73% of the net leasable area of Phase 1 has been committed to tenants⁵.

The redevelopment of ITPH is planned in multiple phases over the next 7–10 years. Through the redevelopment, we are increasing the development potential, rejuvenating the existing park and leveraging the strong demand from IT companies in Hyderabad. We plan to commence the redevelopment of the next IT building (0.89 million sq ft) in 2024.



PROPOSED MASTER PLAN FOR ITPH



⁵ Lease deed/letter of intent executed including options and rights of first refusal

Asset Management

OVERVIEW

The Trust aims to have stable long term financial and operational performance by:

- providing sustainable and high-quality business spaces; and
- nurturing strong relationships with tenants.

PRODUCT STRATEGY

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

We differentiate our properties by providing reliable real estate solutions to customers. Our tenants are assured of smooth and uninterrupted infrastructure support within our properties. We have installed backup generators to provide uninterrupted power to our facilities. We also implement best practices

and processes in key areas of safety, fire, utilities and security systems as part of our business continuity plan.

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

Our properties have won multiple awards for their distinguished quality; foremost amongst them are two Gold awards from the FIABCI Prix d' Excellence Award. Both International Tech Park Bangalore and International Tech Park Chennai have received this top accolade, affirming our ability to construct and manage world-class properties.

We place great emphasis on environmental sustainability. In 2022, five additional buildings in our portfolio received Platinum or Gold certifications and five buildings were upgraded from Gold to Platinum certifications. The full list of certifications for our properties at present are as below.

City	Property	Building	Award
Bangalore	International Tech Park Bangalore	Anchor	IGBC ¹ Platinum ²
		Anchor Annex	IGBC Platinum
		Aviator	IGBC Platinum
		Creator	IGBC Platinum
		Discoverer	IGBC Platinum
		Explorer	IGBC Platinum
		Innovator	IGBC Platinum
		Inventor	IGBC Platinum
		Navigator	IGBC Platinum
		Victor	USGBC LEED ³ Platinum
Chennai	International Tech Park Chennai	Voyager	IGBC Silver
		Crest	USGBC LEED Gold
		Pinnacle	IGBC Platinum
		Zenith	USGBC LEED Platinum
		Lakeview	USGBC LEED Gold
		Springfield	USGBC LEED Gold
		Building 3	USGBC LEED Gold
	CyberVale		

1 Indian Green Building Council

2 Certification was obtained after 31 December 2022

3 U.S. Green Building Council Leadership in Energy and Environmental Design

City	Property	Building	Award
Hyderabad	International Tech Park Hyderabad	Atria	USGBC LEED Gold
		Capella	IGBC Platinum
		Orion	IGBC Platinum
		Vega	USGBC LEED Platinum
	aVance Hyderabad	aVance 2	IGBC Gold
		aVance 3	IGBC Gold
		aVance 4	IGBC Gold
		aVance 6	IGBC Platinum
	CyberPearl	Block A	IGBC Platinum
		Block B	IGBC Platinum
Mumbai	Aurum Q Parc	Building Q1	USGBC LEED Platinum
Pune	aVance Pune	Building 1	IGBC Platinum
		Building 2	IGBC Platinum
		Building 3	IGBC Platinum

TENANT STRATEGY

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

After few years of conducting digital engagements due to the pandemic, we were able to engage our partners and customers through in-person events in 2022. When COVID-19 restrictions were relaxed early this year, we organised various initiatives to welcome our tenants back to our parks. We have also recommenced our regular events such as CapitalLand Interface and LiveWire. In addition, activities including festive celebrations and charity events were also conducted during the year. We have received constant feedback from our tenants that such events help keep their employees engaged and satisfied, which in turn lowers their staff attrition rate and reduces their manpower costs.

Asset Management

Calendar of Events:

Month	Location	Event
January 2022	Pan India	Republic Day Celebration
February 2022	Chennai	ITPC FM Connect
May 2022	Bangalore	Indian Premier League Screening
	Hyderabad	IPC Night
	Pune	Interface 2022
June 2022	Bangalore	Flea Market and Pottery Making Workshop (Green Month Celebration)
July 2022	Chennai	Rajesh Vaidhya Live
August 2022	Bangalore	Pet Adoption Drive
	Chennai	IPC Night
	Pune	CapitaLand Monsoon Fiesta
September 2022	Hyderabad	Yoga Workshop at ITPH and CyberPearl
November 2022	Bangalore	ITPB LiveWire
	Hyderabad	Hyderabad LiveWire
	Bangalore	FIFA World Cup Screening
December 2022		Avatar Movie Screening
	Chennai	Chennai LiveWire



Interface 2022 held in Pune



Prize presentation at ITPB LiveWire



Fashion show at ITPB LiveWire



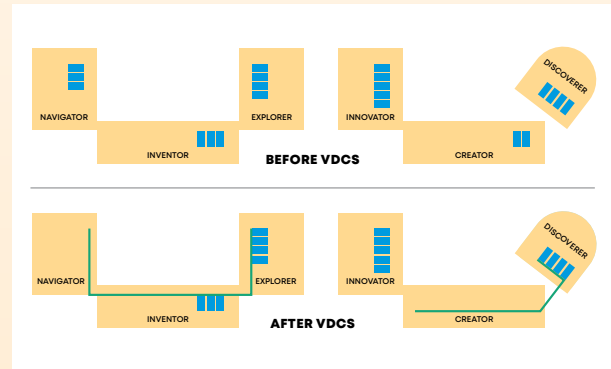
CASE STUDY

BENEFITS OF VIRTUAL DISTRICT COOLING SYSTEM

As a CapitaLand Investment-sponsored business trust, CLINT remains aligned with CapitaLand's 2030 Sustainability Master Plan. Among the initiatives undertaken, the Trust is focused on improving the efficiency of air-conditioning chillers to significantly improve our energy usage intensity. Chillers contributed to approximately 70% of landlord-controlled energy consumption in our parks in 2019.

In 2022, Virtual District Cooling Systems (VDCS) were implemented in ITPB, Bangalore, to integrate multiple chillers into two clusters. VDCS led to a reduced carbon footprint by reducing the number of installed chillers. The redundancy of five ageing chillers yielded significant savings in capital expenditure of INR72 million while reducing embodied carbon due to lower overall chiller requirements. Lower energy, water, manpower and maintenance required in VDCS also lowered energy consumption by 2%, which contributed directly to energy consumption intensity targets. Operational expenses in ITPB are also expected to reduce by 1-2% on an ongoing basis.

The Trust looks to expand the implementation of VDCS further in ITPB, ITPH, CyberPearl, and ITPC. This would yield additional cost savings and energy efficiency, while further contributing towards CapitaLand's 2030 carbon and energy emission intensity targets.



Capital Management

OVERVIEW

Objective

Our capital management objectives include:

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

Key Indicators

Indicator	As at 31 December 2022	As at 31 December 2021
Gearing ratio ¹	37%	35%
Interest service coverage (Adjusted EBITDA ² /Interest expenses)	3.1 times	3.7 times
Percentage of Indian Rupee debt	57%	64%
Percentage of fixed rate debt	76%	75%
Percentage of unsecured borrowings	100%	100%
Effective weighted average cost of debt	5.9%	5.2%
Available debt headroom	S\$856 million ³	S\$960 million ³
Net asset value	S\$1.11 per unit	S\$1.18 per unit
Adjusted net asset value ⁴	S\$1.41 per unit	S\$1.50 per unit

1 Ratio of effective borrowings to the value of Trust properties. As at 31 December 2022, the effective borrowings to net asset ratio and total borrowings less cash and cash equivalent to net asset ratio were 85.8% and 79.8% respectively.

2 Earnings before interest expense, tax, depreciation and amortisation (excluding gains/losses from foreign exchange translation and mark-to-market revaluation from settlement of loans) on a trailing 12-month basis. Earnings include interest income.

3 Available debt headroom for 31 December 2021 and 31 December 2022 is based on the gearing limit of 50% which is in accordance with Appendix 6 of the Code on Collective Investment Schemes.

4 Excludes deferred income tax liabilities on capital gains due to fair value revaluation of investment properties.

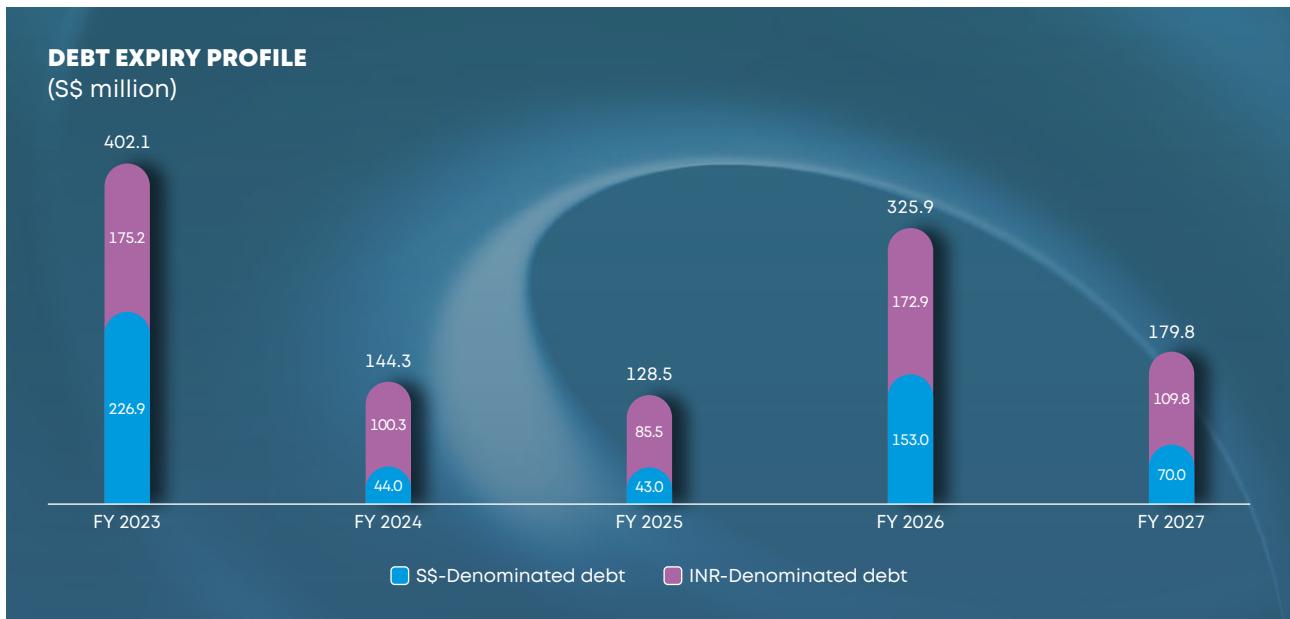
FUNDING STRATEGY

CLINT diversifies funding sources from various financial institutions and capital markets to reduce single lender risk. The Trust currently has in place a S\$1.5 billion Multicurrency Debt Issuance Programme and principal bankers including DBS Bank, UOB, Mizuho Bank, Citibank, J.P. Morgan, HSBC, BEA and Standard Chartered Bank. As at 31 December 2022, the Trust has total effective borrowings¹ of S\$1.2 billion, comprising S\$99 million of medium term notes, S\$1,055 million of bilateral loans and deferred consideration of S\$26 million.

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

We lower the Trust's borrowing cost by maintaining a mix of Indian Rupee and Singapore Dollar borrowings. As at 31 December 2022, 57% of the Trust's borrowings were denominated in Indian Rupee with the remaining 43% in Singapore Dollar. The weighted average interest cost of CLINT's Singapore Dollar and Indian Rupee borrowings were 3.7% and 7.5% respectively as at 31 December 2022. CLINT's overall weighted average cost of debt was 5.9% as at 31 December 2022.

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



Debt Headroom

Based on the gearing limits of 50%², which is in accordance with Appendix 6 of the Code on Collective Investment Schemes, the Trust may increase its borrowings by an additional S\$856 million. This provides the Trust with significant resources to fund potential acquisitions and developments using additional borrowings.

CASH MANAGEMENT

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

INCOME HEDGING STRATEGY

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

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

DISTRIBUTION POLICY

The Trust's policy is to distribute at least 90% of its distributable income. Since April 2012, CLINT has retained 10% of its distributable income to provide greater flexibility in growing the Trust.

2 Provided that CLINT has a minimum adjusted interest coverage ratio of 2.5 times after taking into account the interest payment obligations arising from the new borrowings.

Risk Management

CLINT believes in maintaining a robust risk management framework to proactively identify, assess and respond to material risks that can impact our objective to deliver stable distributions and sustainable total returns to Unitholders. By pursuing a risk strategy of optimisation of opportunities within the approved risk appetite levels, we position the Trust for long-term sustainable results.

ENSURING BEST-IN-CLASS RISK MANAGEMENT, CORPORATE GOVERNANCE AND COMPLIANCE TO BUILD A SUSTAINABLE BUSINESS

The Enterprise Risk Management (ERM) Framework is adapted from the International Organisation for Standardisation 31000 International Risk Management Standards. It is benchmarked against other relevant best practices and guidelines and reviewed annually to ensure its continued relevance and practicality. It sets out the required environmental and organisational components needed to identify, assess, respond to, monitor and report material risks in an integrated, systematic and consistent manner as depicted below.



BOARD OVERSIGHT AND SENIOR MANAGEMENT INVOLVEMENT

The Trustee-Manager's Board of Directors (the Board), assisted by the Audit and Risk Committee (ARC), approves the Trust's risk appetite (risk tolerance) which determines the nature and extent of material risks the Trust is willing to take to achieve its strategic objectives.

The Board also regularly reviews the Trust's risk profile, material risks and mitigation strategies; and ensures the adequacy and effectiveness of the risk management framework and policies.

Senior management team directs and monitors the implementation and practice of risk management across the Trust, including monitoring the risk exposure through key risk indicators.

ROBUST INTERNAL CONTROL SYSTEM

CLINT's ERM Framework operates within a risk governance structure based on three lines of defence. Employees have an important role as the first line of defence and are accountable for the effective management of risks that arise from their business activities. The first and second lines of defence are responsible for the design and implementation of effective internal controls using a risk-based approach.

Risk management and compliance departments as part of the second line of defence provide oversight and governance over risk management and compliance practices, promote and embed a culture of risk ownership and accountability.

REGULAR INDEPENDENT REVIEW AND AUDIT

Internal and External Audits form the third line of defence, by reviewing the adequacy and effectiveness of risk management and internal control system design and implementation so as to provide reasonable assurance to the ARC and the Board.

A STRONG CULTURE OF RISK AWARENESS

The Trustee-Manager works closely with the risk management and compliance departments at CapitalLand Investment (CLI) as well as various specialist support functions to ensure risk management practices are implemented effectively and consistently across the Group.

Risk workshops are conducted regularly to ensure these practices are embedded in our decision-making and business processes.

The Trustee-Manager's senior management team reinforces the culture by setting the right 'tone at the top', leading by example, and communicating our risk strategy throughout the Trust.

Risk Management

MATERIAL RISKS AND OPPORTUNITIES

A Trust-wide Risk and Control Self-Assessment (RCSA) is conducted annually to identify key material risks, including new and emerging risks, that the Trust faces in delivering our strategic objectives, its mitigating measures and the opportunities. Based on 2022 RCSA results, the measures taken to mitigate the material risks and opportunities to capitalise on are set out below:

Material Risks	Key Mitigating Actions	Opportunities
<p>Climate Change</p> <p>Physical risks such as rising sea levels, violent storms, long intense heat waves, flash floods and fresh water depletion.</p> <p>Transitional risks including potentially more stringent regulations and increased expectations from stakeholders.</p>	<ul style="list-style-type: none"> › Assessment of the detailed physical risks in the evaluation of any new acquisitions. › Incorporate shadow internal carbon price in the evaluation of new investment/capital expenditure decisions. This helps to price in climate-related costs and opportunities, support low-carbon investments, prepare for stringent climate legislation, and avoid stranded assets. › Regularly review the Trust's mitigation and adaptation efforts, which include: <ul style="list-style-type: none"> • future proofing our portfolio against changing climatic conditions from the design stage and • improving the operational efficiency of our properties, setting targets for carbon emissions, water, energy and waste efficiency. › CLI has a well-established Group environmental management system which is externally certified to ISO 14001 in 15 countries. › For more information, please refer our Sustainability Report on pages 66 to 119. 	<ul style="list-style-type: none"> › Enhance our positive reputation and strong track record in sustainability efforts as a competitive advantage for the Trust to build a resilient portfolio of assets, achieve resource efficiency and be a leading India-focused property trust.
<p>Fraud, Bribery & Corruption</p> <p>Any forms of fraud, bribery and corruption that could be perpetuated by employees, third parties or collusion between employees and third parties.</p>	<ul style="list-style-type: none"> › Foster a culture of ethics and integrity in the Trust. › Adopt a zero-tolerance stance against fraud, bribery and corruption (FBC) across our businesses. › Communicate the commitment to integrity from the top through policies and practices, such as FBC Risk Management Policy, Whistle-blowing Policy, Ethics and Code of Business Conduct Policies and Anti-Money Laundering and Countering the Financing of Terrorism Policy and mandatory eLearning. 	<ul style="list-style-type: none"> › Accelerate sustainability innovation and collaboration with tenants, supply chain contractors, vendors and suppliers.
<p>Safety, Health & Well-being</p> <p>Increased expectations from stakeholders to provide a safe and healthy environment, including well-being, at our assets and operations.</p>	<ul style="list-style-type: none"> › Assess health and safety related risks in the evaluation of any new acquisitions. › Entrench a sustainable safety culture through deep safety capabilities, disciplined safety practices, and a progressive and pervasive safety mindset that drive safety key performance targets of both the Trust and our supply chain. › CLI has a well-established Group occupational health and safety management system which is externally certified to ISO 45001 in 15 countries. › For more information, please refer our Sustainability Report on pages 66 to 119. 	<ul style="list-style-type: none"> › Capture opportunities that may arise in related fields or sectors.

Material Risks

Key Mitigating Actions

Opportunities

Cyber Security & Information Technology

Ongoing business digitalisation exposes the business to IT-related threats, which may result in compromising the confidentiality, integrity and availability of the Trust's information assets and/or systems.



- › Execute CLI's Cyber Security Strategy through ongoing review against existing/evolving threat landscapes, and institute measures to minimise vulnerability exposure and manage threat vectors.
- › Ongoing mandatory staff IT Security Awareness Training to counter human intervention in the information security chain.
- › Periodically review and update Group-wide IT Security Policy and Data Protection Framework to ensure relevancy.
- › Maintain and test IT Security Incident Management Procedure to ensure prompt response and timely remediation to cyber security incidents.
- › Conduct annual Disaster Recovery Plan exercise to ensure timely recoverability of business-critical IT systems.
- › Put in place enhanced protection controls for systems that hold personal data.



› Build a cyber resilient infrastructure and network to harness the full potential of innovation and digital transformation of our business processes.

Regulatory & Compliance

Non-compliance with applicable laws and regulations, including tax, data protection and privacy, in the markets where CLINT operates.



- › Maintain a framework that proactively identifies the applicable laws and regulations, including taxation, and embed compliance into day-to-day operations.
- › Leverage in-house specialised teams such as compliance and tax, and external consultants to provide advisory services and updates on changes to laws and regulations.
- › CLI establishes Group-wide policies and procedures to address the requirements of the applicable laws and regulations such as, Personal Data Protection Policy and Anti-Money Laundering Policy.



› Keep abreast of the changing regulatory landscape to identify opportunities for improvements in the various compliance areas.

Risk Management

Material Risks	Key Mitigating Actions	Opportunities
<p>Investment</p> <p>Investment risk arises when the Trust develops existing land within the portfolio, acquires new properties, or does not divest existing investments when it is timely to do so. Such risks encompass market and leasing risk, outlook, as well as the impact of the investment on the existing portfolio.</p>	<ul style="list-style-type: none"> › A data-driven investment approach is adopted, focusing on the relevant national macroeconomic outlook, analysis of the relevant real estate micro-markets (including supply and demand, vacancy and rental), and detailed asset analysis. › Conduct detailed property and technical due diligence prior to any new acquisition. › Independent valuation is used as a benchmark to validate the purchase price. › Detailed evaluation of the impact of the proposed acquisition on the portfolio income, distributable income, geographical and tenant diversification and lease expiry profile is carried out. › Hurdle rates and weighted average cost of capital based on relevant risk adjusted input parameters, used as investment benchmarks, are reviewed/ updated annually and adjusted accordingly where necessary. › Integrate sustainability in real estate life cycle from the earliest stage of our investment, redevelopment and divestment processes. › Review and approval of the investment by the Investment Committee and the Board is sought. 	<ul style="list-style-type: none"> › Identify value accretive opportunities to diversify the portfolio across asset classes and cities and enhance portfolio resilience. › Tap on strong experience and track record in multi-sector asset and portfolio management in executing the Trust's diversification strategy. › Explore the development of new economy asset classes (such as data centres) in our existing IT parks.
<p>Asset Management</p> <p>Asset management risk encompasses risks associated with the day-to-day operations of the Trust's properties.</p>	<ul style="list-style-type: none"> › Risk management measures are integrated into day-to-day activities. These include comprehensive operating, reporting and monitoring controls put in place to manage risks arising from leasing and maintenance activities of the Trust's properties. › Timely asset enhancements are undertaken to preserve and enhance asset values. These controls are closely monitored and regularly reviewed, and improvements are made whenever necessary. 	<ul style="list-style-type: none"> › Engage with our tenants and customers in understanding their spatial needs in a post-pandemic world and be ready to innovate and be flexible in providing differentiated solutions.
<p>Disruption to Customer Business</p> <p>Disruption to customer business risk encompasses risk associated with the impact of a tenant's exit due to disruption to business, on the rental income of the portfolio.</p>	<ul style="list-style-type: none"> › The risk is mitigated by diversifying the Trust's tenant base, which consists of 287 tenants as at 31 December 2022. On average, a single tenant occupied 49,000 sq ft of space. The largest tenant contributed 12% of portfolio base rents. Collectively, the top 10 tenants contributed 44% of portfolio base rent. 	<ul style="list-style-type: none"> › Explore the development of new economy asset classes (such as data centres) in our existing IT parks. New economy asset classes have proven to be resilient given the drive for digitalisation and acceleration of e-commerce since the COVID-19 pandemic.

Material Risks	Key Mitigating Actions	Opportunities
<p>Funding</p> <p>Funding risk refers to the inability to refinance borrowings when they are due. Funding risk also refers to the risk that the Trust does not have sufficient cash and cash equivalents to meet its immediate business requirements.</p> <p>The Trust is also exposed to changes in interest rates which relates primarily to interest-earning financial assets and interest-bearing financial liabilities.</p>	<ul style="list-style-type: none"> › The Trust maintains a well-spread debt maturity profile and has S\$149 million of available revolving credit facilities and S\$57 million of undrawn committed bilateral term loan as at 31 December 2022 to meet short-term refinancing requirements. › The Trust maintains sufficient cash and cash equivalents to meet the normal operating cash requirement. › Bank loan covenants are regularly monitored to ensure that the Trust does not default on any borrowings. › The Trust enters into interest rate swaps to hedge its floating-rate borrowings into fixed-rate obligations. As at 31 December 2022, 76% of the Trust's borrowings carry fixed-rate interest. 	<ul style="list-style-type: none"> › The Trust maintains a prudent capital structure and hedging policy in giving Unitholders the confidence that the Trust is well-positioned against major fluctuations in the interest rate or foreign exchange environment.
<p>Foreign Exchange</p> <p>The Trust is exposed to foreign exchange risk as a result of having operations in two countries; it earns income in Indian Rupee (its functional currency) but makes distribution to Unitholders in Singapore Dollar (its reporting currency).</p>	<ul style="list-style-type: none"> › To mitigate the risk of large currency fluctuations in the period before income is repatriated to Singapore, the Trust enters into monthly forward contracts to hedge income that will be repatriated. › The currency exposure is a result of borrowing in Singapore Dollar, Japanese Yen or Hong Kong Dollar to fund developments and/or acquisitions in India and is managed through cross-currency swaps and derivatives. The Trust's policy is to hedge at least 50% of its borrowings to Indian Rupee. As at 31 December 2022, 43% of the Trust's total borrowings were exposed to currency risk as a result of its exposure to Singapore Dollar borrowings. 	

Investor Relations

OVERVIEW

We value our relationships with all analysts and investors. We are committed to timely and transparent communications to keep the investment community apprised of significant developments of CapitaLand India Trust (CLINT).

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

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

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

Due to the COVID-19 situation in Singapore, the annual general meeting on 14 April 2022 was conducted via electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the COVID-19 Temporary Measures Order). The responses to the substantial and relevant questions received from Unitholders were published on our website and on SGXNet prior to the Annual General Meeting. To better engage our Unitholders, the Trustee-Manager will conduct the upcoming AGM physically. This will provide individual Unitholders the opportunity to seek clarification from Directors and Management. We will also be allowing Unitholders to watch the proceedings online.

WEBSITE

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

URL: www.clint.com.sg

Webcast: <http://investor.clint.com.sg/webcast.html>

SUPPLEMENTARY INFORMATION

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

Go online to download the supplementary information file:

<https://investor.clint.com.sg/financials.html>

RESEARCH COVERAGE

Four brokerage firms cover CLINT as at 31 December 2022. We maintain open channels of communication to ensure that the analysts understand and are kept updated on our performance and strategy.

Brokerage Firm

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

Go online for details of analysts who cover CLINT:

<http://investor.clint.com.sg/research.html>

MEDIA

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

Go online to view our press releases and announcements:

<http://investor.clint.com.sg/newsroom.html>

INVESTOR RELATIONS CALENDAR FY 2022

Quarter	Event
First Quarter (1 January 2022 to 31 March 2022)	FY 2021 Results Announcement analysts briefing
	FY 2021 post-results investor call hosted by HSBC
Second Quarter (1 April 2022 to 30 June 2022)	1Q FY 2022 Business Updates analysts briefing
	1Q FY 2022 Business Updates investor call hosted by J.P. Morgan
	REITs Symposium 2022 Online Edition
Third Quarter (1 July 2022 to 30 September 2022)	1H FY 2022 Results Announcement analysts briefing
	1H FY 2022 post-results investor call hosted by DBS Vickers
	Citi-SGX-REITAS REITs and Sponsors Forum 2022
Fourth Quarter (1 October 2022 to 31 December 2022)	USA Non-Deal Roadshow 2022
	CLI Investor Day 2022
	3Q FY 2022 Business Updates analysts briefing
	3Q FY 2022 Business Updates investor call hosted by J.P. Morgan/DBS Vickers
	CapitaLand Investment and CLI REITs Corporate Day 2022
	UBS Global Real Estate Conference 2022

FINANCIAL CALENDAR

Financial Year Ended 31 December 2022	Date
15th Annual General Meeting (Virtual)	14 April 2022
1Q FY 2022 Business Updates	25 April 2022
1H FY 2022 Results Announcement	1 August 2022
Payment of 1H FY 2022 Distribution	30 August 2022
3Q FY 2022 Business Updates	31 October 2022
2H FY 2022 Results Announcement	6 February 2023
Payment of 2H FY 2022 Distribution	6 March 2023
16th Annual General Meeting	17 April 2023

Financial Year Ended 31 December 2023	Tentative Date
1Q FY 2023 Business Updates	April 2023
1H FY 2023 Results Announcement	July 2023
Payment of 1H FY 2023 Distribution	August 2023
3Q FY 2023 Business Updates	October 2023
2H FY 2023 Results Announcement	January 2024
Payment of 2H FY 2023 Distribution	February 2024

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

Go online to view the dates of events:

http://investor.clint.com.sg/financial_calendar.html

ENQUIRIES

Unitholders with queries relating to CLINT or their unitholding may contact:

The Trustee-Manager

CapitaLand India Trust Management Pte. Ltd.

Cheah Ying Soon

Chief Financial Officer

Phone: +65 6713 2888

Email: cheah.yingsoon@clint.com.sg

Unit Registrar

Boardroom Corporate & Advisory Services Pte. Ltd.

Phone: +65 6536 5355

Fax: +65 6536 1360

Website: www.boardroomlimited.com

Go online to sign up for free email alerts:

http://investor.clint.com.sg/email_alerts.html

Portfolio



PROPERTY	INTERNATIONAL TECH PARK BANGALORE (ITPB)	INTERNATIONAL TECH PARK CHENNAI (ITPC)
City	Bangalore	Chennai
Site area (acres)	68.3	15.0
Land tenure	Freehold	Freehold
Stake	93% ²	89% ³
Type	IT Park	IT Park
Floor area owned by CLINT (million sq ft)	5.2	2.0
Number of buildings	12	3
Park population	55,000	17,500
Development potential of land bank (million sq ft)	3.1	–
Committed occupancy	96%	92%
Purchase price		
(₹ million)	13,670	5,533
(S\$ million)⁵	478.5	193.7
December 2021 valuation		
(₹ million)	44,489	20,430
(S\$ million)⁶	807.5	370.8
December 2022 valuation		
(₹ million)	45,412	21,254
(S\$ million)⁷	741.1	346.9

- 1 Initial lease term of 99 years, renewable for further 99 years.
- 2 Remaining 7.2% is owned by Karnataka Industrial Area Development Board.
- 3 Remaining 11.0% is owned by Tamil Nadu Industrial Development Corporation Limited.
- 4 Purchase price for Lakeview, Springfield, and Building 3.
- 5 Based on exchange rate at the point of acquisition of each asset/ building.
- 6 Based on exchange rate of S\$1: ₹55.1.
- 7 Based on exchange rate of S\$1: ₹61.3.



CYBERVALE (CV)	INDUSTRIAL FACILITY, MAHINDRA WORLD CITY (IF, MWC)	CAPITALAND DC CHENNAI
Chennai	Chennai	Chennai
18.2	8.8	4.0
Till January 2105 ¹	Till September 2117 ¹	Freehold
100%	100%	100%
IT Park	Industrial Facility	Land and Development
0.8	0.4	–
3	1	–
7,500	–	–
0.4	–	0.4
78%	100%	–
2,286 ⁴	2,120	730
49.2 ⁴	38.6	12.4
4,240	–	–
77.0	–	–
4,382	2,289	802
71.5	37.4	13.1

Portfolio



PROPERTY	INTERNATIONAL TECH PARK HYDERABAD (ITPH)	CAPITALAND DC ITPH
City	Hyderabad	Hyderabad
Site area (acres)	16.9	2.5 ⁸
Land tenure	Freehold	Freehold
Stake	100%	100%
Type	IT Park	Land and Development
Floor area owned by CLINT (million sq ft)	1.3	–
Number of buildings	4	–
Park population	15,700	–
Development potential of land bank (million sq ft)	3.4	0.3
Committed occupancy	95%	–
Purchase price		
(₹ million)	5,439 ¹⁰	–
(\$ million)⁵	190.4 ¹⁰	–
December 2021 valuation		
(₹ million)	22,309 ¹²	–
(\$ million)⁶	404.9 ¹²	–
December 2022 valuation		
(₹ million)	23,178	2,255
(\$ million)⁷	378.3	36.8

8 ITPH DC is under design planning stage and exact plot dimension is being finalised.

9 aVance Hyderabad is considered a freehold property by the Trustee-Manager on the basis that it is on a 33-year lease which is renewable for further 33-year leases at the Trust's option at nominal lease rentals.

10 Purchase price pertains to the entire land area of 19.4 acres (IT Park and DC).

11 Purchase price for aVance 1, aVance 2, aVance 3, aVance 4, and aVance 6.

12 Valuation of DC ITPH was done as part of ITPH in December 2021.



AVANCE HYDERABAD

CYBERPEARL (CP)

Hyderabad

Hyderabad

25.7

6.1

Freehold⁹

Freehold

100%

100%

IT Park

IT Park

2.1

0.4

5

2

16,200

5,400

-

-

84%

94%

11,718¹¹

2,001

242.2¹¹

70.0

16,718

3,701

303.4

67.2

17,331

3,860

282.8

63.0

Portfolio



PROPERTY	BUILDING Q1, AURUM Q PARC (BUILDING Q1)	CAPITALAND DC NAVI MUMBAI 1
City	Ghansoli, Navi Mumbai	Airoli, Navi Mumbai
Site area (acres)	3.4	6.6
Land tenure	Till June 2048 ¹³ (initial term)	Multiple tenures, ranging till July 2062 to March 2063 ¹⁴
Stake	100%	100%
Type	IT SEZ Office Building	Land and Development
Floor area owned by CLINT (million sq ft)	0.6	–
Number of buildings	1	–
Park population	3,200	–
Development potential of land bank (million sq ft)	–	0.8 ¹⁷
Committed occupancy	58%	–
Purchase price		
(₹ million)	3,530	1,308
(\$ million)⁵	64.1	23.8
December 2021 valuation		
(₹ million)	3,989	1,315
(\$ million)⁶	72.4	23.9
December 2022 valuation		
(₹ million)	4,194	4,565
(\$ million)⁷	68.5	74.5

13 Underlying land of Building Q1 is on sub-lease from Aurum Group and Maharashtra Industrial Development Corporation (MIDC) with initial term of 30 years, renewable for further 30 years upon expiry.

14 Land comprises of three sub-plots, with the lease expiries for the respective sub-plots ranging between July 2062 and March 2063, which are renewable for further 95 years upon expiry of the primary lease term.

15 Arshiya Panvel warehouses are considered freehold property by the Trustee-Manager on the basis that they are on a 30-year lease which is renewable for further 30-year leases at the Trust's option at nominal lease rentals.

16 aVance Pune is considered a freehold property by the Trustee-Manager on the basis that it is on a 99-year lease which is renewable for further 99-year leases at the Trust's option at nominal lease rentals.

17 Total development potential including Phase 1 (0.4 million sq ft) and Phase 2 (0.4 million sq ft); Phase 2 design is not yet initiated and hence it is assumed to be the same as Phase 1 (IT Load capacity of 30.5 MW for both Phase 1 & 2).

18 Master lease to Arshiya Group for operation and management of the warehouses.

19 Purchase price for Arshiya Warehouse 1 to 7. Warehouses 1-6 includes deferred consideration of ₹789 million paid till December 2022. Balance of ₹211 million is payable, subject to achievement of performance milestones. Warehouse 7 includes deferred consideration of ₹212 million, payable over the next 4 years, subject to achievement of performance milestones.

20 Arshiya Warehouse 7 was not part of December 2021 valuation as it was acquired in March 2022.



ARSHIYA PANVEL WAREHOUSES

AVANCE PUNE

Panvel, Mumbai

Pune

30.0

5.4

Freehold¹⁵

Freehold¹⁶

100%

100%

Warehouse

IT Park

1.2

1.5

7

3

-

14,300

-

-

100%¹⁸

96%

7,066¹⁹

6,331

142.9¹⁹

134.8

7,319²⁰

10,148

132.8²⁰

184.2

10,362

10,529

169.1

171.8

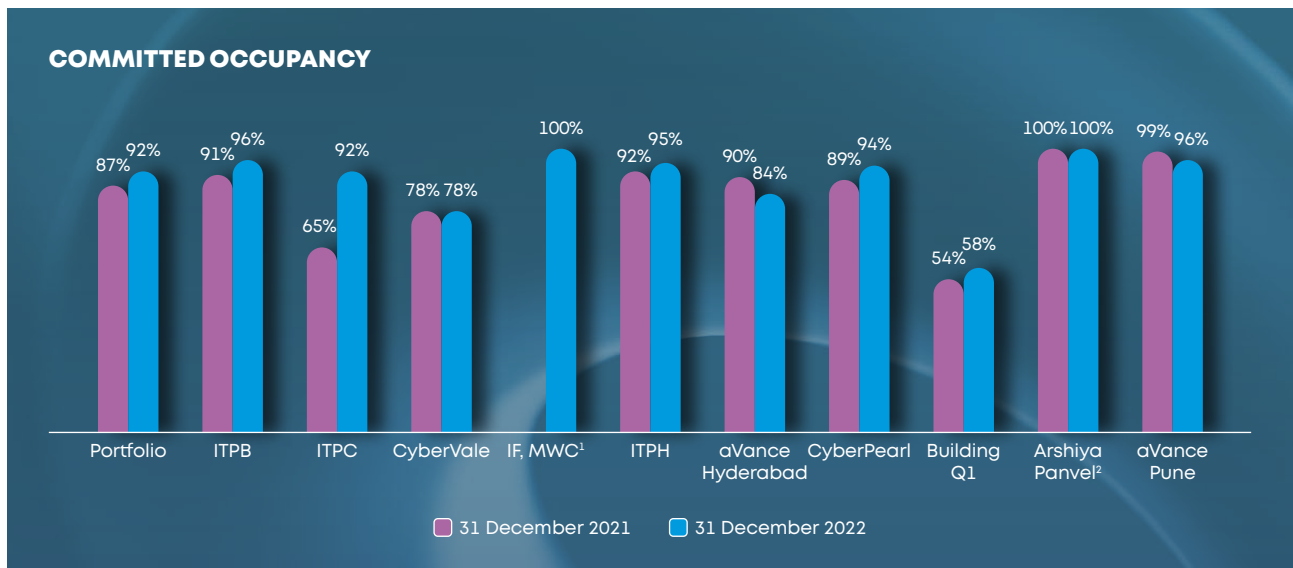
Operational Review

ASSET REVIEW

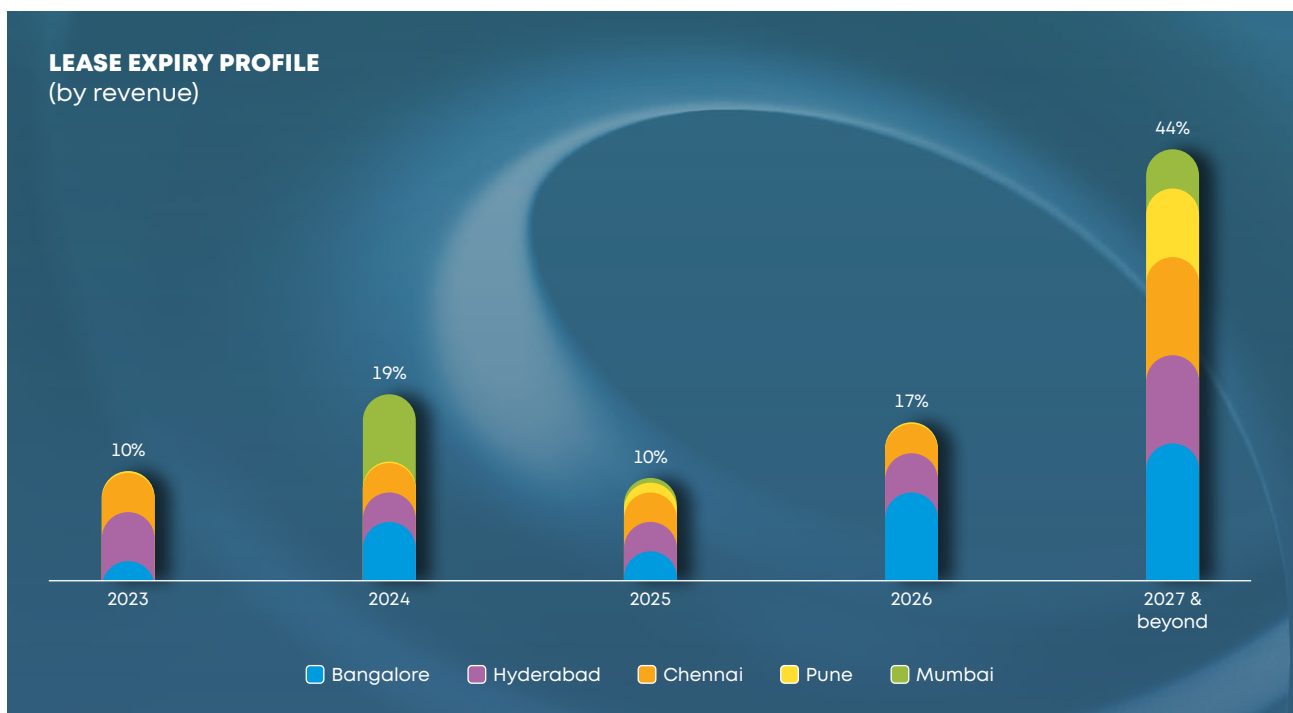
Leasing Report

As at 31 December 2022, CLINT's committed portfolio occupancy stood at 92%. Close to 2.9 million sq ft of floor space was leased or renewed in 2022.

Approximately 10% of leases will expire in 2023. We commence lease renewal negotiations with our tenants six months prior to the expiry of their leases to allow time to secure replacement tenants.



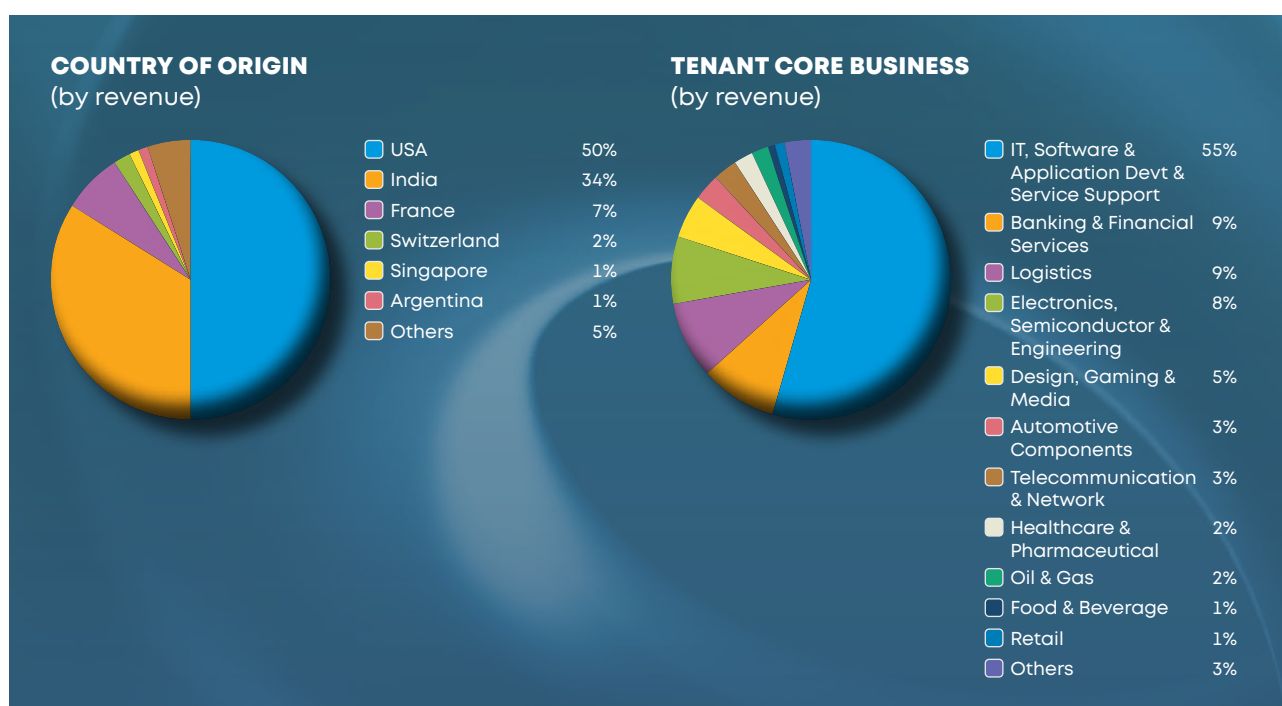
- 1 Industrial Facility, Mahindra World City was acquired in May 2022
- 2 Including Arshiya Warehouse 7, which was acquired in March 2022



Tenant Profile

We had 287 tenants as at 31 December 2022. Majority of our tenants are multinational companies, with approximately 50% from the US and approximately 34% from India. Most of our Indian tenants have global operations and provide services to clients from diverse industries.

About 55% of our tenants are from the core technology sector (IT, software and application development and service support) while the rest of the portfolio is from a diverse set of industries such as banking and financial services, design, gaming and media, electronics, semiconductor and engineering, logistics and automotive components.



Many of our top tenants are on the Fortune 500 list with excellent credit rating.

Top 10 tenants of IT Parks	by revenue
Tata Consultancy Services	12%
Amazon	5%
Bank of America	4%
Renault Nissan	3%
Applied Materials	3%
Société Générale	2%
Technicolor	2%
UnitedHealth Group	2%
Larsen & Toubro	2%
HCL Technologies	2%

Logistics and Industrial Assets	by revenue
Arshiya	9%
<i>Sub-tenants include DHL Logistics, Korea Zinc, UPL Limited, Borochemie (India), ZTE Corporation</i>	
Pegatron	2%

Financial Review

OVERVIEW

CLINT Results	FY 2022 ₹ million	FY 2021 ₹ million	Increase/ (Decrease)	FY 2022 S\$ million	FY 2021 S\$ million	Increase/ (Decrease)
Total property income	11,906	10,613	12%	210.6	192.7	9%
Total property expenses	(2,476)	(2,037)	22%	(43.8)	(37.0)	18%
Net property income	9,429	8,576	10%	166.8	155.7	7%
Finance costs	(3,665)	(2,827)	30%	(64.8)	(51.3)	26%
Interest income	3,014	2,961	2%	53.3	53.8	(1%)
Ordinary profit before tax	6,893	7,226	(5%)	122.0	131.2	(7%)
Distribution adjustments	(920)	(1,720)	(47%)	(16.3)	(31.2)	(48%)
Income available for distribution	5,974	5,506	8%	105.7	100.0	6%
Income to be distributed	5,376	4,956	8%	95.1	90.0	6%

Exchange Rate Movement	FY 2022	FY 2021	YoY Change
Average SGD/INR exchange rate	56.5	55.1	2.5% ⁱ

ⁱ The Singapore Dollar appreciated by 2.5% against the Indian Rupee.

TOTAL PROPERTY INCOME

CLINT Results	FY 2022 ₹ million	FY 2021 ₹ million	Increase/ (Decrease)	FY 2022 S\$ million	FY 2021 S\$ million	Increase/ (Decrease)
Base rent	8,999	8,053	12%	159.2	146.3	9%
Amenities income	67	81	(18%)	1.2	1.5	(20%)
Fit-out rental income	92	120	(23%)	1.6	2.2	(25%)
Operations, maintenance and utilities income	2,249	1,935	16%	39.8	35.1	13%
Car park and other operating income	499	423	18%	8.8	7.7	15%
Total property income	11,906	10,613	12%	210.6	192.7	9%

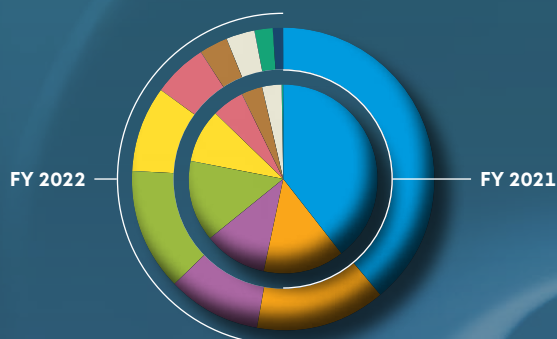
Total property income increased by 12% to ₹11.9 billion mainly due to:

- higher portfolio occupancy;
- income from aVance 6 at aVance Hyderabad, acquired in March 2021;
- income from Aurum Q1, acquired in November 2021;
- income from Arshiya Warehouse 7, acquired in March 2022; and
- income from Industrial Facility in Mahindra World City (MWC), acquired in May 2022.

In Singapore Dollar terms, total property income increased by 9% (S\$17.9 million) to S\$210.6 million.

The Singapore Dollar appreciated by about 2.5% against the Indian Rupee over the same period last year.

TOTAL PROPERTY INCOME



Property (₹ million)	FY 2022		FY 2021	
ITPB	4,672	39%	4,212	40%
ITPC	1,608	14%	1,476	14%
ITPH	1,118	10%	1,126	11%
aVance Hyderabad	1,495	13%	1,489	14%
aVance Pune	1,086	9%	977	9%
Arshiya Panvel warehouses ⁽ⁱ⁾	765	6%	571	5%
CyberVale	378	3%	378	4%
CyberPearl	393	3%	366	3%
Building Q1, Aurum Q Parc	267	2%	17	0%
Industrial Facility, MWC ⁽ⁱⁱ⁾	123	1%	–	–
Total	11,906	100%	10,613	100%

- (i) Warehouse 7 was acquired in March 2022.
(ii) Acquired in May 2022.

TOTAL PROPERTY EXPENSES

CLINT Results	FY 2022 ₹ million	FY 2021 ₹ million	Increase/ (Decrease)	FY 2022 S\$ million	FY 2021 S\$ million	Increase/ (Decrease)
Operations, maintenance and utilities expenses	(1,025)	(966)	6%	(18.1)	(17.5)	3%
Service and property taxes	(307)	(205)	50%	(5.4)	(3.7)	46%
Property management fees	(570)	(454)	26%	(10.1)	(8.2)	22%
Other property operating expenses	(575)	(412)	40%	(10.2)	(7.5)	36%
Total property expenses	(2,476)	(2,037)	22%	(43.8)	(37.0)	18%

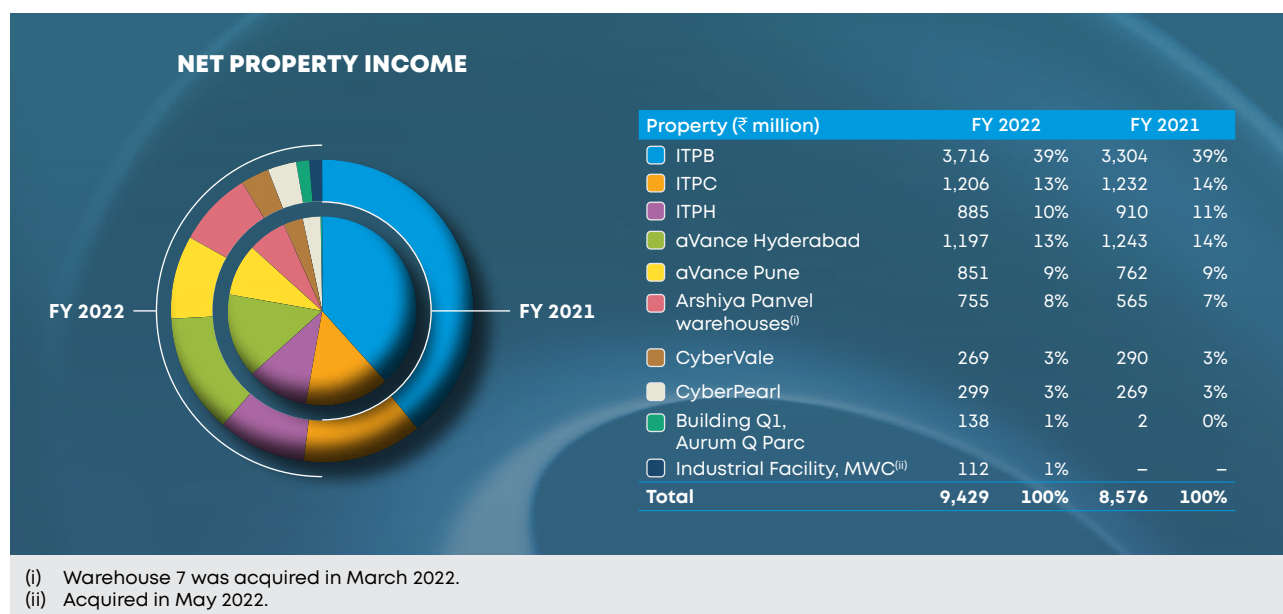
Total property expenses increased by 22% to ₹2.5 billion (S\$43.8 million) mainly due to higher operational and maintenance expenses and property management fees from existing and newly acquired properties.

In Singapore Dollar terms, total property expenses increased by 18% (S\$6.8 million) to S\$43.8 million.

Financial Review

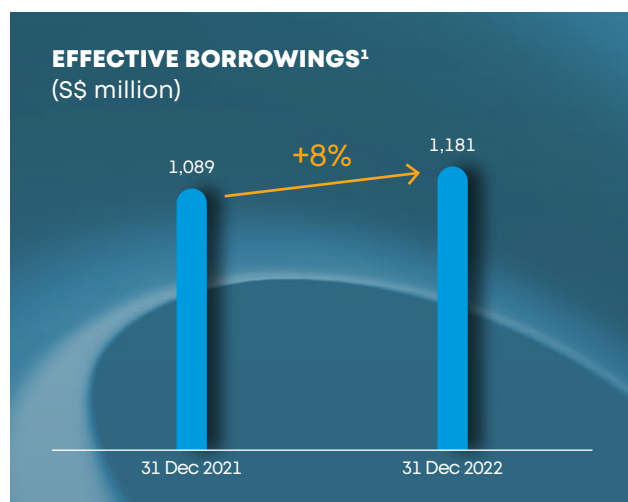
NET PROPERTY INCOME

Net property income grew by 10% (₹853 million) to ₹9,429 million, due to the above factors. In Singapore Dollar terms, net property income increased by 7% (S\$11.1 million) to S\$166.8 million.



FINANCE COSTS

Finance costs increased by 30% (₹838 million) to ₹3,665 million due to an increase in borrowings and higher interest rates. The additional loans were taken largely to invest in CLINT's committed forward purchase pipeline projects and new acquisitions during the year. In Singapore Dollar terms, finance costs increased by 26% (S\$13.5 million) to S\$64.8 million.



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

INTEREST INCOME

Interest income increased by 2% (₹53 million) to ₹3,014 million, mainly from higher interest income from additional investments in Gardencity and BlueRidge 3 after excluding interest income following the acquisitions of Arshiya Warehouse 7 in Navi Mumbai and Industrial Facility in MWC.

In Singapore Dollar terms, interest income decreased by 1% (S\$0.5 million) to S\$53.3 million.

INCOME AVAILABLE FOR DISTRIBUTION

After accounting for distribution adjustments, income available for distribution for FY 2022 increased by 8% (₹468 million) to ₹5,974 million mainly due to higher NPI and higher interest income from additional investments in Gardencity and BlueRidge 3, partially offset by higher finance costs. In Singapore Dollar terms, income available for distribution increased by 6% (S\$5.7 million) to S\$105.7 million.

INCOME TO BE DISTRIBUTED

CLINT's distribution policy is to distribute at least 90% of its income available for distribution. The remaining 10% is retained to provide greater flexibility in growing the Trust. Post retention, income to be distributed for FY 2022 increased 8% (₹420 million) to ₹5,376 million. In Singapore Dollar terms, income to be distributed

increased by 6% (S\$5.1 million) to S\$95.1 million. This translates to a DPU of 8.19 Singapore cents, an increase of 5% compared to DPU of 7.80 Singapore cents in FY 2021.

CLINT makes distributions to Unitholders on a half-yearly basis for every six-month period ending 30 June and 31 December.

Financial Year	Period	Payment Date	DPU (Singapore cents)	Full Year DPU (Singapore cents)
FY 2022	1 Jul 2022 to 31 Dec 2022	6 Mar 2023	3.91	8.19
	1 Jan 2022 to 30 Jun 2022	30 Aug 2022	4.28	
FY 2021	1 Jul 2021 to 31 Dec 2021	25 Feb 2022	3.60	7.80
	1 Jan 2021 to 30 Jun 2021	25 Aug 2021	4.20	

VALUATION AND NET ASSET VALUE

As at 31 December 2022, CLINT's properties were valued at ₹150,412 million by CBRE South Asia Pvt. Ltd., in accordance with the property valuation standards pursuant to Listing Rule 1207(11), which was approximately 12% (₹15,754 million) higher than the valuation of ₹134,658 million as at 31 December 2021. In Singapore Dollar terms, portfolio valuation increased to S\$2,454.7 million.

The increase in INR terms was mainly due to:

- acquisition of Arshiya Warehouse 7 in Navi Mumbai in March 2022;
- acquisition of Industrial Facility in Mahindra World City in May 2022;
- acquisition of land in Chennai for data centre development in December 2022;
- annual fair value revaluation of investment properties; and
- development additions such as for Phase I redevelopment at ITPH.

In FY 2022, CLINT recognised fair value gain on investment properties of ₹7,240 million (S\$128.1 million). Revaluation gains are non-cash in nature and do not have an impact on income available for distribution.

Net asset value (NAV) per unit as at 31 December 2022 decreased by 6% to S\$1.11 as compared to S\$1.18 in the previous year due to the depreciation of the Indian Rupee. Excluding deferred tax liabilities arising from fair value adjustments on properties, the adjusted NAV per unit decreased by 6% to S\$1.41. In INR terms, both NAV and adjusted NAV per unit increased by 5% each to INR 68.1 and INR 86.4 respectively as compared to 31 December 2021.

91% of the properties by valuation are on freehold land, while the remaining are leasehold. For more details please refer to the Portfolio section in pages 50 to 55 of the Annual Report.

Financial Review

Valuation of Properties

Property (₹ million)	31 Dec 2022 Valuation	31 Dec 2021 Valuation	Increase/ (Decrease)
International Tech Park Bangalore	45,412	44,489	2.1%
International Tech Park Chennai	21,254	20,430	4.0%
CapitaLand DC Chennai ⁱⁱⁱ	802	–	N.A.
CyberVale	4,382	4,240	3.3%
Industrial Facility, MWC ^{iv}	2,289	–	N.A.
CyberPearl	3,860	3,701	4.3%
International Tech Park Hyderabad	23,178	22,309	14.0%
CapitaLand DC ITPH ^v	2,255	–	N.A.
aVance Hyderabad	17,331	16,718	3.7%
aVance Pune	10,529	10,148	3.8%
Arshiya Panvel Warehouses ^{vi}	10,362	7,319	41.6%
Building Q1, Aurum Q Parc	4,194	3,989	5.1%
CapitaLand DC Navi Mumbai 1	4,565	1,315	247.2%
Portfolio (in ₹ million)	150,412	134,658	11.7%
Portfolio (in S\$ million)	2,455ⁱ	2,444ⁱⁱ	0.4%

N.A. – Not applicable

i Based on the exchange rate of S\$1: ₹61.3

ii Based on the exchange rate of S\$1: ₹55.1

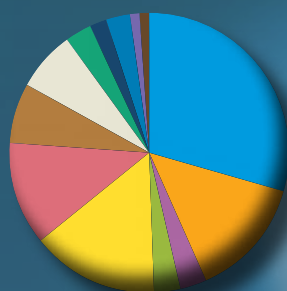
iii Acquired in December 2022

iv Acquired in May 2022

v CapitaLand DC ITPH was valued as part of ITPH as at 31 Dec 2021

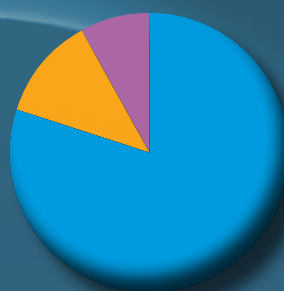
vi Warehouse 7 was acquired in March 2022

PORTFOLIO VALUATION BY PROPERTY



ITPB	30%	Building Q1, Aurum Q Parc	3%
ITPC	14%	Industrial Facility, MWC	2%
CyberVale	3%	CapitaLand DC Navi Mumbai 1	3%
CyberPearl	3%	CapitaLand DC Chennai	1%
ITPH	15%	CapitaLand DC ITPH	1%
aVance Hyderabad	12%		
aVance Pune	7%		
Arshiya Panvel warehouses	7%		

PORTFOLIO VALUATION BY TYPE



Completed assets	80%
Land for development	12%
Buildings under construction	8%

CASH FLOWS AND LIQUIDITY

Operating Activities

Net cash generated from operating activities for FY 2022 decreased marginally by 2% (S\$2.3 million) to S\$145.3 million, compared to S\$147.6 million in the previous financial year.

Investing Activities

During the financial year, S\$35.2 million was invested to fund the acquisition of new subsidiaries, Anomalous Infra Private Limited and Chengalpattu Logistics Park Private Limited which own the Arshiya Warehouse 7 in Navi Mumbai and Industrial Facility in MWC, Chennai respectively. S\$7.4 million was paid in advance for the planned acquisition of aVance 5 in Hyderabad. S\$42.1 million was invested to fund the Phase I redevelopment at ITPH, data centre developments and acquisition of a 4.0-acre land for data centre development in Chennai. An additional S\$24.6 million of capital expenditure was spent on upgrading and maintaining existing properties. Further, S\$45.6 million was invested towards construction funding for aVance 5, BlueRidge 3, Casa Grande, and Gardencity which are CLINT's committed forward purchases. S\$3.8 million was received upon acquisition of Arshiya Warehouse 7 and the Industrial Facility in Mahindra World City, Chennai for repayment of construction funding.

In the previous financial year, S\$70.6 million was invested to fund the acquisition of new subsidiaries, Avance Technohub Private Limited, LOMA Co-Developer 1 Private Limited and Datascape Realty Private Limited, which own the aVance 6 building in Hyderabad, Building Q1 in Aurum Q Parc and 6.6-acre land for data centre development in Airoli, Navi Mumbai respectively. S\$29.3 million was paid in advance for planned acquisition of aVance 5 in Hyderabad. S\$13.0 million was invested to fund the Phase I redevelopment at ITPH and data centre development. An additional S\$23.9 million of capital expenditure was spent on upgrading and

maintaining existing properties. Further, S\$151.0 million was invested towards construction funding for Arshiya Panvel seventh warehouse, aVance 5, BlueRidge 3, Casa Grande, and Gardencity which are CLINT's committed forward purchases. S\$82.2 million was received upon acquisition of aVance 6 for repayment of construction funding.

Financing Activities

During the year, CLINT raised S\$657.5 million of loans. Of the funds raised, S\$487.4 million went towards the refinancing of existing loans, with the remaining being invested towards acquisition of subsidiaries and construction funding for the various committed forward purchases.

SENSITIVITY ANALYSIS

Interest Rate Risk

As at 31 December 2022, 76% of CLINT's total borrowings were on fixed-rate basis, which significantly reduces interest rate volatility. Income available for distribution is not materially impacted by changes in market interest rates and consequently interest rate risk is low.

Foreign Exchange Risk

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

Capital Risk

As at 31 December 2022, CLINT has a gearing ratio of 37%. A 10% increase or decrease in portfolio valuation would reduce the gearing to 34% or increase the gearing to 40% respectively.

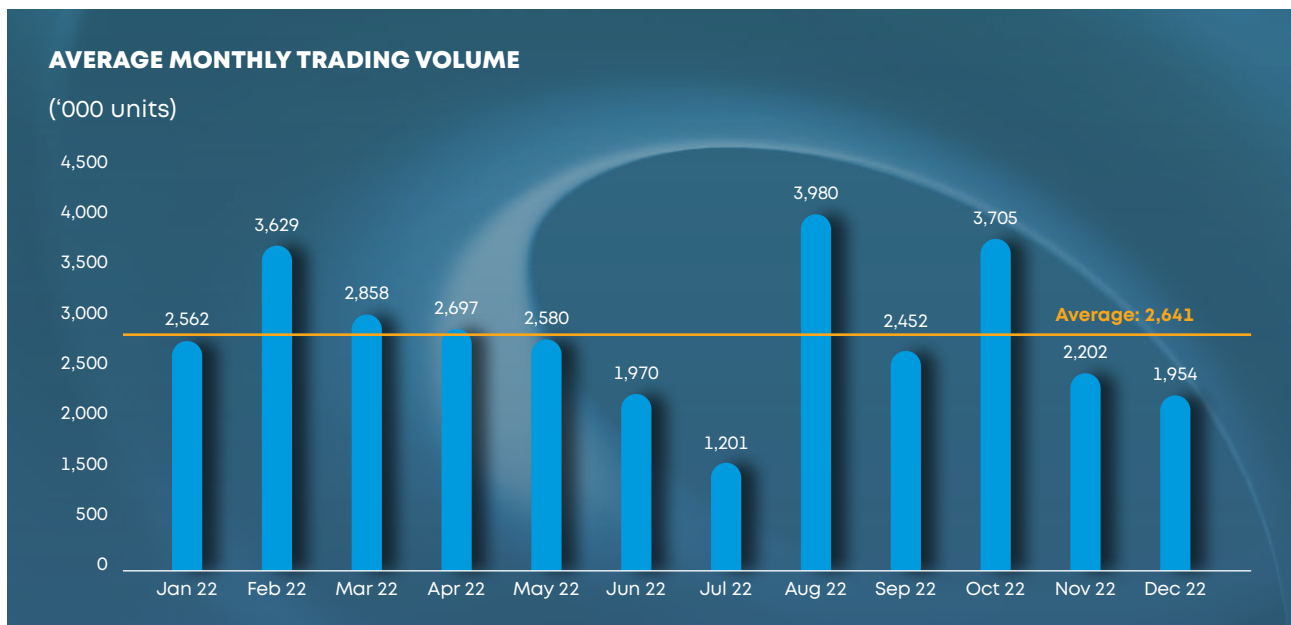
Half-Yearly Results

	₹ million			S\$ million		
	FY 2022	FY 2021	Change	FY 2022	FY 2021	Change
Total property income						
1st Half (Jan - Jun)	5,758	5,246	10%	103.3	95.4	8%
2nd Half (Jul - Dec)	6,148	5,367	15%	107.3	97.3	10%
Full Year	11,906	10,613	12%	210.6	192.7	9%
Net property income						
1st Half (Jan - Jun)	4,648	4,251	9%	83.4	77.3	8%
2nd Half (Jul - Dec)	4,781	4,325	11%	83.4	78.4	6%
Full Year	9,429	8,576	10%	166.8	155.7	7%
Income available for distribution						
1st Half (Jan - Jun)	3,073	2,957	4%	55.1	53.8	3%
2nd Half (Jul - Dec)	2,900	2,549	14%	50.6	46.2	9%
Full Year	5,974	5,506	8%	105.7	100.0	6%
Income to be distributed						
1st Half (Jan - Jun)	2,766	2,661	4%	49.6	48.4	3%
2nd Half (Jul - Dec)	2,610	2,295	14%	45.5	41.6	9%
Full Year	5,376	4,956	8%	95.1	90.0	6%
Income to be distributed per unit (DPU)¹						
	₹			Singapore cents		
	FY 2022	FY 2021	Change	FY 2022	FY 2021	Change
1st Half (Jan - Jun)	2.39	2.31	4%	4.28	4.20	2%
2nd Half (Jul - Dec)	2.25	1.99	13%	3.91	3.60	9%
Full Year	4.64	4.30	8%	8.19	7.80	5%

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

Unit Price Review

UNIT PRICE AND VOLUME



CLINT’s total trading volume from January 2022 to December 2022 was approximately 660 million units.



Go online to download CLINT’s historical trading price and volume data:
https://investor.clint.com.sg/historical_price.html

Sustainability Report

ABOUT THE REPORT

CapitaLand India Trust (CLINT) is pleased to present its seventh annual Sustainability Report. The report communicates CLINT's progress towards its commitment to generating long-term value for its stakeholders and is a testimonial of its sustainability leadership in the real estate industry.

International Standards and Guidelines

This report is in accordance with the requirements of SGX-ST Listing Manual Rule 711(A) and 711(B), and Global Reporting Initiative (GRI) Standards 2021. The GRI Standards have been selected as it is an internationally recognised reporting framework covering a comprehensive range of sustainability disclosures relevant to CLINT. Additionally, the report incorporates several elements of the Integrated Reporting (IR) Framework of the Value Reporting Foundation and maps the Trust's Environmental, Social, and Governance (ESG) performances along United Nations Sustainable Development Goals (SDGs). This year, CLINT is presenting enhanced disclosures and integrating the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in this report.

Reporting Scope and Period

This report reflects upon CLINT's sustainability performance for the period 1 January to 31 December 2022 (FY 2022), with relevant prior data for the comparable period from 1 January to 31 December 2021. The scope of this report covers CLINT's portfolio¹, comprising the eight IT parks listed in Figure 1 below.

Figure 1: Portfolio in Reporting Scope for FY 2022

City	Portfolio
Bangalore	International Tech Park Bangalore (ITPB)
Chennai	International Tech Park Chennai (ITPC) CyberVale
Hyderabad	International Tech Park Hyderabad (ITPH) CyberPearl aVance Hyderabad
Mumbai	Building Q1, Aurum Q Parc
Pune	aVance Pune

Feedback

CLINT leadership strives to continuously strengthen its policies and mechanisms as part of the Trust's endeavours to establish high market standards. Towards that end, CLINT seeks the valuable feedback of its stakeholders. Please share your suggestions to cheah.yingsoon@clint.com.sg.

CLINT BOARD STATEMENT

At CLINT, the ethos of sustainability lies at the core of our business operations. We are firmly committed to sustainable business growth that ensures long-term economic value whilst ensuring our communities enhanced environmental and social well-being.

This commitment was articulated in 2020 when CapitaLand launched its 2030 Sustainability Master Plan (SMP), which identified relevant material matters for reporting on its environmental, social and governance (ESG) aspects. The SMP is reviewed every two years by the CapitaLand Board of Directors and senior management, with sustainability targets updated accordingly. The SMP has laid out ambitious commitments to reducing carbon emissions, including working toward a target in line with keeping temperature rises to 1.5°C or below, based on the Science Based Targets initiative (SBTi). In addition, CapitaLand has committed to Net Zero emissions by 2050 and enhanced its social commitments. These commitments guide CLINT's sustainability vision: to be a global leader in building a resilient and resource-efficient real estate portfolio with adaptive and innovative features at its heart.

The Board oversees CLINT's sustainability efforts and considers ESG factors a priority in determining its strategic direction. The Board is further responsible for structuring the executive compensation framework based on performance, formulating performance targets based on approved business plans, and developing sustainable corporate practices that cascade throughout the organisation.

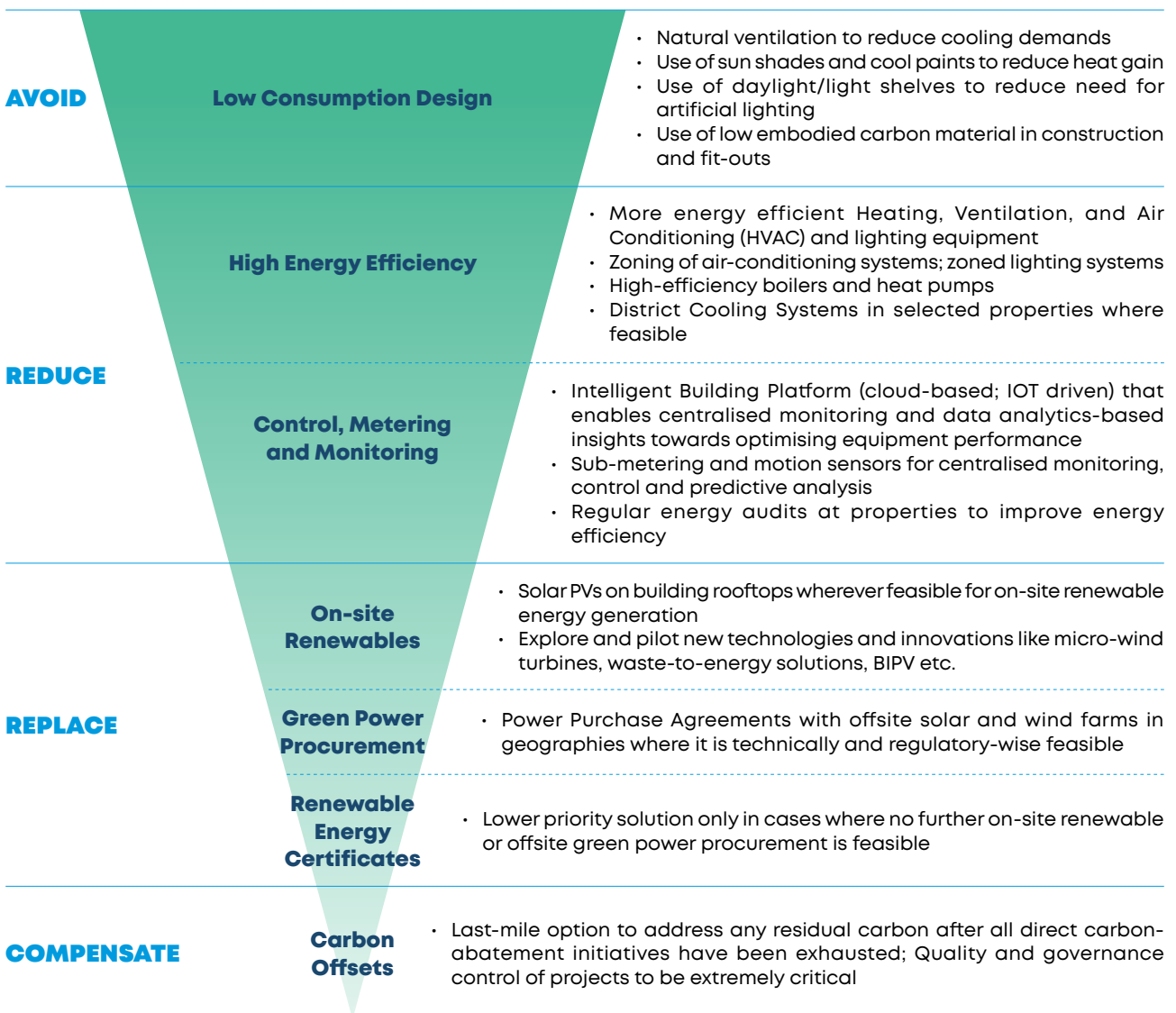
¹ The report excludes (i) the seven operating warehouses at Arshiya Free Trade Warehousing Zone in Panvel, as the Trust is not involved in the operations of the logistics park, (ii) 6.6-acre land in Airoli, Navi Mumbai which is to be developed into a new data centre (iii) Industrial Facility, Mahindra World City as it was only acquired in May 2022 and (iv) 4.0-acre land in Ambattur, Chennai which is to be developed into a new data centre and acquired in December 2022.

SUSTAINABILITY COMMITMENT

As a CapitaLand Investment (CLI) sponsored business trust, CLINT is aligned with CapitaLand's 2030 Sustainability Master Plan (SMP) unveiled in 2020 to elevate the Group's commitment to global sustainability in the built environment. The SMP drives CapitaLand's sustainability efforts in the environment, social and governance (ESG) pillars, enabling the Group to create a larger positive impact for the environment and society.

CapitaLand's 2030 SMP is regularly reviewed where necessary to complement the Group's business strategy and align with climate science. The first scheduled review in 2022 is in progress and the outcome will be published before end May 2023.

As part of CLI's roadmap to Net Zero, CLINT will prioritise the decarbonisation levers below, and in particular, continue to source globally for new ideas and technologies to achieve higher energy efficiency and intensify its renewable energy integration efforts.



Sustainability Report

Measured against Global Benchmarks

CapitaLand was one of the first companies in Singapore to voluntarily publish an annual Global Sustainability Report since FY 2009 and has had the entire report externally assured since FY 2010. Benchmarking against an international standard and framework that is externally validated helps CapitaLand to overcome the challenges in sustainability reporting that may arise from our portfolio of diverse asset types and geographical presence globally.

CapitaLand has been a signatory to the United Nations (UN) Global Compact since 2015 and its Communication on Progress for FY 2022 will be made available at www.unglobalcompact.org when published. In February 2023, CLI also became a signatory of the UN-supported Principles for Responsible Investment (UN PRI), as part of our commitment to investing responsibly.

CLI is listed on the Global 100 Most Sustainable Corporations Index, Dow Jones Sustainability World Index and Asia-Pacific Index, GRESB, FTSE4Good Index Series, MSCI Global Sustainability Indexes and

The Sustainability Yearbook. CLI Global Sustainability Report 2022 will be published by 31 May 2023.

CLI's sustainability reporting has evolved into a uniquely hybrid model using the Global Reporting Initiative (GRI) Standards and GHG Protocol (operational control method) since 2009, CDP since 2010, GRESB since 2013, Value Reporting Foundation's Integrated Reporting Framework since 2015, UN SDG Reporting since 2016, Taskforce for Climate-related Financial Disclosure TCFD framework since 2017, and Sustainability Accounting Standards Board (SASB) Standards since 2020.

CLI will continue to enhance its disclosures in accordance with these standards and will be reporting in accordance with the updated GRI Universal Standards 2021 which came into effect for reports published on or after 1 January 2023. The report will continue to be externally assured to AA1000 Assurance Standard, and will cover the Group's global portfolio and employees, including its listed real estate investment trusts (REITs) and business trusts. The scope of the assurance will cover CLINT's portfolio.

POST-PANDEMIC EFFORTS WITH STAKEHOLDERS

Under the Board's guidance and active involvement of the Trustee-Manager and Property Manager (the Managers), effective actions were taken across the properties to safeguard the health, safety, and wellness of its tenant and suppliers. With normalcy returning following the pandemic, many initiatives were undertaken to enhance interactions with stakeholders and support our communities.

Employees

- Inaugurated in 2022, the Listed Funds Symposium provided a platform for different key stakeholders involved in each REIT/Trust to come together to share their knowledge and experiences, exchange ideas, and showcase their achievements.
- Three Knowledge Exchange sessions were conducted in 2022, which served as a networking and information-sharing platform to explore topics relating to CLI's business.
- The Ambassador Programme was launched in 2022 for employees to share their thoughts and feedback about their work or challenges faced.
- Coffee and Learn was also launched in 2022, and the initiative allowed employees to connect with mentors working in different functions to seek personal and professional advice, helping them to navigate their career paths and gain valuable knowledge and skills.
- The CapitaLand Staff Appreciation Dinner was held for the first time in three years to celebrate employees' achievements and showcase appreciation for their efforts.

Tenants

- Supported the logistics for tenant organised vaccination drives.
- Celebrated Republic Day across multiple parks.
- Live-screened the FIFA World Cup in ITPB.
- Organised LiveWire 2022 across multiple cities two-year hiatus.

Suppliers (Service Provider Staff)

- COVID-19 Booster dose vaccination camp was organized across CLINT parks and ensured that the service provider staff (approximately 3,300) were 100% vaccinated.
- Rewards and Recognition events carried out for the service provider staff across cities.

Community

- Launch of Hope School 2 in Bangalore and special programmes were organised at the school to celebrate World Environment Day and India's Independence Day 2022.
- As part of the annual #GivingAsOne Campaign, 600 school kits were distributed to students at Hope School, Mahadevapura and 450 school kits to Government school students.
- For Children's Day 2022, an art contest for kids was organised at Hope School Mahadevapura, Bangalore and five other Government schools.

BOARD, TOP MANAGEMENT AND STAFF COMMITMENT AND INVOLVEMENT

Strategic Sustainability Management Structure

The CLI Board recognises the importance of sustainability as a business imperative and plays a role in ensuring that sustainability considerations are factored into CLI strategy development, which also apply to CLINT.

On a regular basis, the CLI Board is updated through the Strategy and Sustainability Committee² (SSC) on the sustainability management performance of the Group, key material issues identified by stakeholders, and the planned follow-up measures. Additionally, through the Risk Committee and Audit Committee, the Board is typically updated at least once a year and at ad hoc Board meetings on matters related to sustainability risks, and relevant performance metrics, including carbon emissions performance, progress on achieving the reduction targets, green certification, human capital development, as well as stakeholders' expectations on climate change and/or other social matters. They are also informed of any work-related safety incidents, business malpractice incidents and environmental incidents, which may include climate-related damages or disruptions.

The SSC, a Board Committee that is chaired by a Lead Independent Director (ID) is responsible for overseeing CLI's sustainability strategies and goals, including providing guidance to management and monitoring

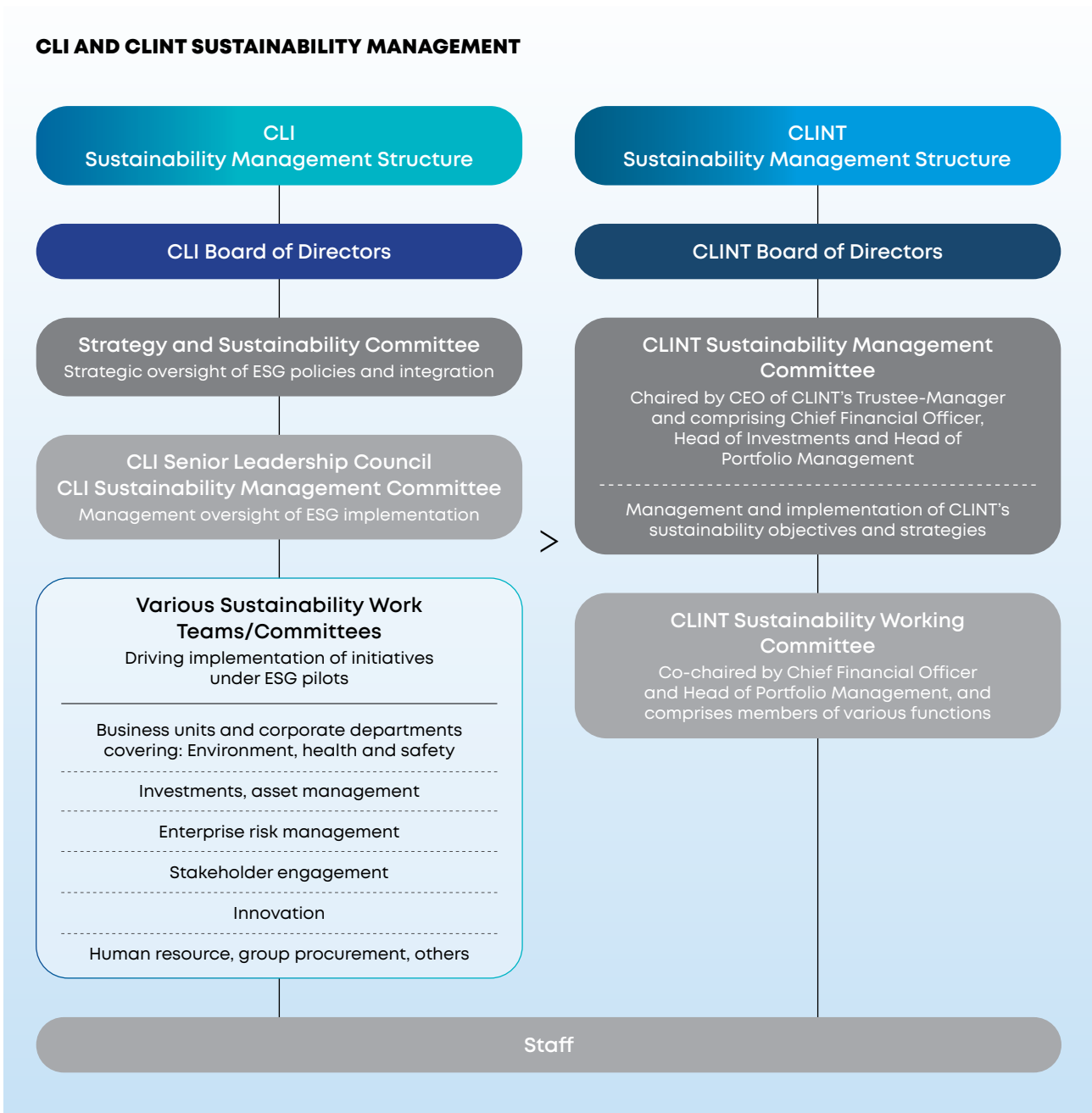
progress against achieving the goals of sustainability initiatives. The SSC typically meet twice a year, with additional meetings convened as necessary. The sustainability work teams comprise representatives from CLI business units and corporate functions. Each business unit also has its own Environmental, Health and Safety (EHS) Committee to drive initiatives in countries where it operates with support from various departments.

At CLINT, the Board of Directors are actively engaged on the Trust's sustainability efforts and the sustainability report is reviewed by the Board before publishing. In FY 2022, the directors' training and professional development programmes included taking sustainability training courses prescribed by the SGX-ST.

In addition, a Sustainability Committee (SC) was formed in 2022 to further enhance CLINT's responses and processes related to ESG matters. The SC comprises the Sustainability Management Committee (SMC) and is supported by the Sustainability Working Committee (SWC). The Chief Executive Officer chairs the SMC, and its members include the Chief Financial Officer, Head of Investments, and Head of Portfolio Management. The SC's duties and responsibilities include developing, overseeing and ensuring the effective implementation of CLINT's sustainability objectives and strategies. The SC is also responsible for reviewing and approving sustainability targets for CLINT and reviewing and approving the annual integrated sustainability report. The SC will meet at least twice a year, and more frequently if required.

2 With effect from 1 Jan 2023, the CapitaLand Investment Board Committee, Strategy Committee, was renamed to Strategy and Sustainability Committee.

Sustainability Report



Maintaining Diversity on the CLINT Board

The CLI Board embraces diversity and has formally adopted a Board Diversity Policy, which provides for the Board to comprise talented and dedicated Directors with a broad mix of expertise, experience, perspectives, skills and backgrounds, with due consideration given to diversity, including but not limited to, business or professional experience, age and gender, ethnicity and culture, geographical backgrounds and nationalities. With respect to

female representation, the Nominating Committee (NC) notes the Council for Board Diversity's target of women making up 30% of the boards of SGX-ST listed companies by 2030. In its annual review of the Board's composition, the NC expressly considers and includes a commentary to the Board about diversity in the composition of the Board.

In alignment with CLI, at CLINT, the Board embraces diversity and has formally adopted the Board Diversity Policy.

The Board believes in diversity and values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Trustee-Manager has the opportunity to benefit from all available talent and perspectives.

The Nominating and Remuneration Committee (NRC), in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, identifies possible candidates that bring a diversity of backgrounds and opinions from amongst candidates with the appropriate knowledge and industry or related expertise and experience. In identifying potential candidates and making recommendations for board appointments to the Board, the NRC considers, among others, achieving an appropriate level of diversity in the Board composition giving regard to factors such as age, educational, business and professional backgrounds of its members. Gender diversity is also considered an important aspect of diversity.

On 1 June 2022, Mrs Deborah Ong joined the Board. Mrs Ong brings her significant professional expertise and experience in international public accounting and audit. Her appointment augmented and strengthened the Board's diversity in terms of gender, professional qualifications, industry knowledge, skills and experience, and enabled progress towards attaining these targets.

In its annual review of the Board's composition, the NRC expressly considers and includes a commentary to the Board on the subject of diversity in the composition of the Board, including gender diversity. In this regard, the NRC is of the opinion that the Board's current size is appropriate the right balance and diversity of skills, talents, experience and backgrounds, taking into account the objectives of the Board Diversity Policy and the CLINT Group's business needs and plans, for effective decision-making and constructive debate. In line with the Board Diversity Policy, the current Board

comprises eight members who are corporate and business leaders and are professionals with varied backgrounds, expertise and experience, including in governance, real estate, accounting and finance, legal, business, management and strategic planning and 2 IDs with prior work experience in the industry in which CLINT operates. The current Board has three female members, representing 37.5% of the Board.

For more details on the Board Diversity Policy, please refer to pages 128 to 129 of this Annual Report.

MATERIALITY

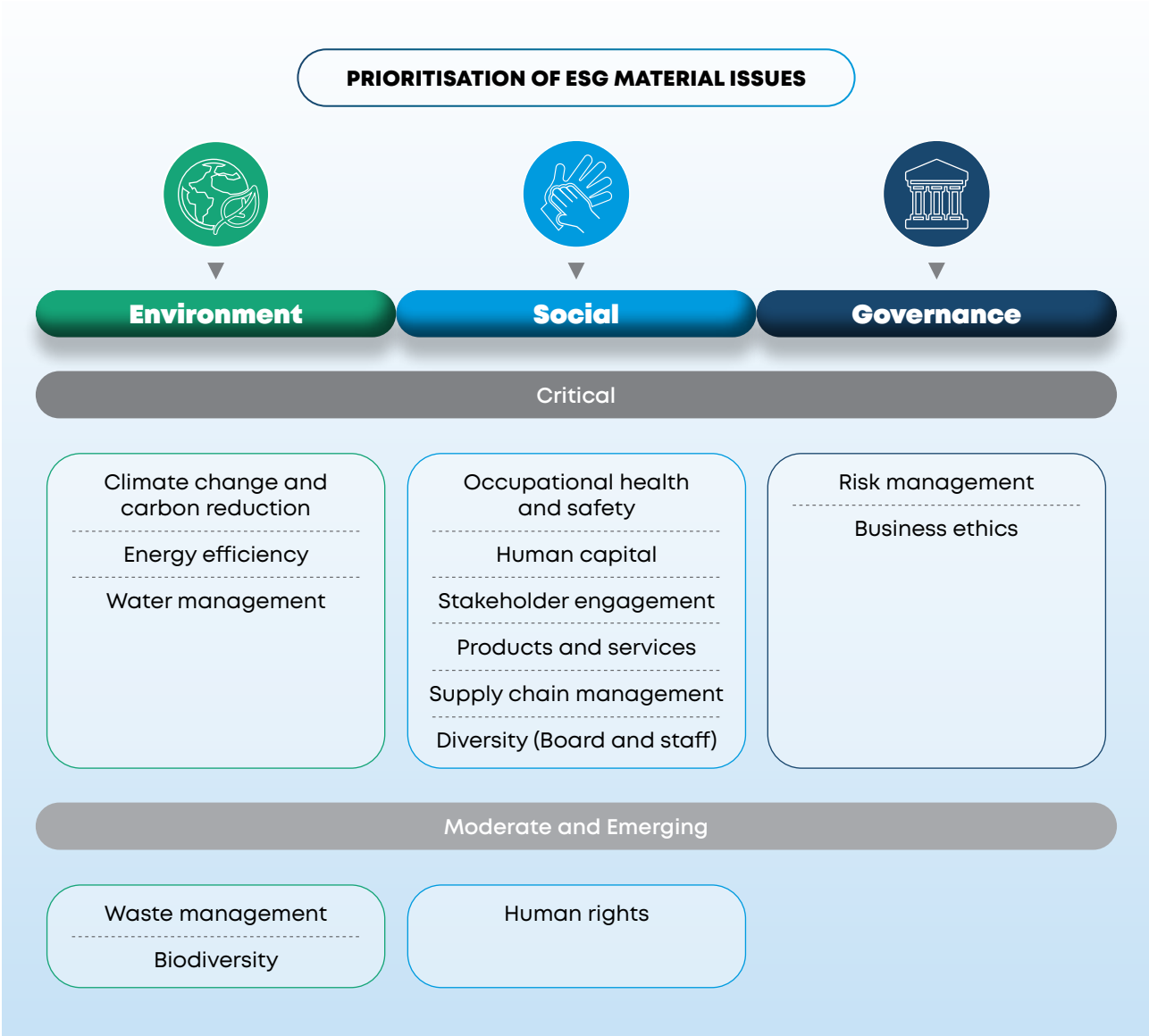
CLINT is guided by CLI's regular review, assessment and feedback process in relation to ESG topics. Key to this is an annual Group-wide Risk and Control Self-Assessment exercise³ which entails the identification, assessment and documentation of material risks and corresponding internal controls. These material risks include fraud and corruption, environmental (e.g. climate change), health and safety, and human capital risks which are ESG-relevant.

Guided by CapitaLand's 2030 SMP to elevate the Group's commitment to global sustainability, CLI identifies and reviews material issues that are most relevant and significant to the Company and its stakeholders. These ESG material issues are assessed and prioritised based on the likelihood and potential impact of issues affecting the business continuity of CLI. For external stakeholders, priority is given to issues important to the community and applicable to CLI.

In 2022, CLINT has conducted a review of its material ESG issues in the context of the post-pandemic world. The existing ESG issues have been deemed to be material and relevant to CLINT's business and operating context. For more information on stakeholder engagement, please refer to the Social and Relationship Capital, Human Capital and Environmental Capital chapters of this report.


³ For more information on CLI's Enterprise Risk Management and Group-wide Risk and Control Self-Assessment exercise, please refer to pages 42 to 47 of this report.

Sustainability Report





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

CLINT identifies six capitals that are central to its agenda of long-term value creation. These capitals align with that of CLI, and include Environmental, Manufactured, Human, Social and Relationship, Organisational and Financial. ESG issues are categorised into these six Capitals and mapped against UN SDGs that align with CapitaLand 2030 SMP targets.

SMP Pillars and Focus Area	Our Commitments	CLINT's 2022 Value Created	
<p>BUILD Portfolio Resilience and Resource Efficiency</p> <ul style="list-style-type: none"> • Low Carbon Transition • Water Conservation and Resilience • Waste Management and Circular Economy 	<ul style="list-style-type: none"> • Transit to low-carbon business and reduce energy consumption through improved energy efficiency and increase use of renewable energy • Reduce water consumption, reuse water and prevent water pollution • Green the operational portfolio by 2030 • Strengthen climate resilience of CLINT's portfolio by addressing climate related risks and opportunities throughout the real estate lifecycle 	<ul style="list-style-type: none"> • 87% of CLINT's business park buildings are certified either with IGBC or USGBC LEED green ratings across the portfolio • 46% of total landlord energy consumption is from renewable energy • Continued to enhance implementing the recommendations of the TCFD and improve TCFD reporting. For more details, please refer to pages 107 to 111 of this Annual Report • In the midst of conducting detailed climate risk assessment and scenario analysis for CLINT's portfolio 	<p>Environmental Capital</p> <p>Manufactured Capital</p> 
<p>ENABLE Thriving and Future-Adaptive Communities</p> <ul style="list-style-type: none"> • Dynamic Human Capital • Healthy and Safe Buildings • Proactive Customer Relationship Management • Robust Supply Chain Management 	<ul style="list-style-type: none"> • CLINT believes that regardless of ethnicity, age or gender, staff can make a significant contribution based on their talent, expertise and experience. CLINT adopts consistent, equitable, and fair labour policies and practices in rewarding as well as developing staff • CapitaLand is a signatory to the UN Global Compact. CLINT's practices are aligned as a CapitaLand-sponsored business Trust • CLINT aims to provide a work environment that is safe and contributes to the general well-being of the staff, tenants, contractors, suppliers and the communities that use its properties • CapitaLand's Supply Chain Code of Conduct influences CLINT's supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety, as well as environmental management • Requires third-party service providers and vendors to adhere to anti-bribery and anti-corruption provisions • CLINT is committed to activities that are aligned with its focus on community investment • Promote sustainability within the tenant community 	<ul style="list-style-type: none"> • Zero employee injuries resulting in permanent disability or fatalities during the reporting period • No reported incident relating to staff discrimination, harassment, child labour or forced labour in CLINT • Employee turnover of 11.8% during the reporting period • Average of 14.08 hours of training for all CLINT employees including digital training courses • In FY2020, CLINT obtained the British Safety Council accreditation for its effective control measures for COVID-19. In FY2022, the Trust ensured the continued implementation of those same measures to maintain CLINT's vigilance against the pandemic • Tenant engagement through events. Refer to page 38 of this report • In FY 2022, there was no reported incident relating to discrimination, harassment, child labour or forced labour in CLINT, and the company had no employees below the age of 16 	<p>Human Capital</p> <p>Social and Relationship Capital</p> 

Sustainability Report

SMP Pillars and Focus Area	Our Commitments	CLINT's 2022 Value Created	
ACCELERATE Sustainability Innovation and Collaboration <ul style="list-style-type: none"> Sustainable Operational Excellence Sustainable Finance Sustainability Innovation and Technology 	<ul style="list-style-type: none"> Maintain safe, accessible, vibrant and quality real estate developments to enhance the lives of its tenants and members of the community Integrate ESG performance with financial metrics Actively embrace innovation to ensure commercial viability without compromising the environment for future generations 	<ul style="list-style-type: none"> Refer to Corporate Governance Report on pages 120 to 155 of this report CLINT secured 2 new unsecured sustainability-linked loan facilities from UOB and DBS totalling S\$400 million in 2022 	Manufactured Capital Organisational Capital Financial Capital  

ENVIRONMENTAL AND MANUFACTURED CAPITAL

CLINT is committed to minimising its environmental impact as a real estate business trust. It believes that lowering the environmental footprint of its buildings creates value for its stakeholders; hence, CLINT strives to harness industry-leading innovation to minimise its environmental footprint.

Besides developing and implementing environmentally friendly features in the Trust's properties and improving overall energy efficiency, the Managers also consider environmental sustainability throughout all stages of any development, redevelopment or Asset Enhancement Initiative (AEI). Monitoring environmental impacts are integral to the Trust's business operations as it contributes to operational efficiency and the long-term sustainability of the Trust.



Framework	
Policy and Objectives	<ul style="list-style-type: none"> Identify opportunities in managing its property portfolio to deliver long-term benefits Reduce energy consumption and encourage renewable energy sources Reduce water consumption and encourage the use of treated/recycled water Manage waste through construction efficiency and encourage recycling Manage biodiversity to contribute positively to the natural environment Engage stakeholders to play their part
Accountability	<ul style="list-style-type: none"> Setting performance targets linked to remuneration for employees, and monitoring energy and water usage, waste generation and carbon emissions performance through the Environmental Tracking System (ETS) Use of the ISO 14001-certified Environmental Management System (EMS) ensures accountability to relevant Managers and all employees
Methods/Action plan	<p>Environmental Management System (EMS)</p> <ul style="list-style-type: none"> Compliance with local environmental laws and regulations. Identify significant environmental aspects and manage impact. Implementation of Sustainable Building Guidelines (SBG), an in-house guide that ensures holistic incorporation of environmental considerations throughout all stages of the Trust's properties' life cycles. Appointment of ISO 14001-certified main contractors or conduct EMS legal compliance on site <p>To achieve the following targets (baseline year 2008) by 2030:</p> <ul style="list-style-type: none"> Reduce carbon emissions intensity by 78% Reduce energy consumption intensity by 35% Increase proportion of total electricity consumed from renewable sources to 35% Reduce water consumption intensity by 45% Achieve 25% waste recycling rate in day-to-day operations Achieve green rating for 100% of buildings in CLINT's portfolio
Stakeholder Engagement	<ul style="list-style-type: none"> Require and indicate preference for ISO 14001-certified main contractors/vendors Share CapitaLand EHS Policy with suppliers and service providers Share and encourage end users, including tenants and the general community, to adopt environmentally sustainable habits

Taskforce on Climate-Related Financial Disclosures (TCFD)

CLI had started to align its climate-related disclosures with the Taskforce for Climate-related Financial Disclosure (TCFD) recommendations in the four key areas of governance, strategy, risk management and metrics and targets since 2017 and further declared its support for TCFD and its recommendations in 2019. CLI and its REITs, including CLINT, are continuing to enhance the implementation and reporting against the TCFD recommendations. Thus, CLINT's progress in climate-related matters for 2022 is presented based on the TCFD framework. For more details, please refer to page 107 to 111 of this report.

Top Management Commitment and Staff Involvement

The alignment of Trust's sustainability ambitions and stewardship activities is driven by CLINT's leadership. Environment and Safety programs are driven by representatives from the Property Manager in CapitaLand's Environmental, Health and Safety (EHS) committee with the CEO of CapitaLand India Business Parks assuming the role of the India Business Park EHS Champion. This committee supports the Group's EHS Management System.

Active workforce involvement is crucial to the achievement of CLINT's environmental stewardship objectives. In that direction, employees are constantly encouraged and empowered to report instances of non-compliance, potential risks and other issues.

Sustainability Report

Managing our Environmental Footprint

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



Risk Management of Environmental Aspects and Impact

The EMS gives structured approach to the management of CLINT's environmental impact and performance. A key element of the EMS is to identify and manage issues within the business operations that can potentially have a negative impact on the environment. The significance of each environmental aspect and impact is assessed based on factors such as the likelihood of the occurrence, severity of the impact and control measures implemented.

CLINT strives to minimise impacts such as resource depletion, carbon emissions and waste generation. The Managers proactively establish and revise time-bound environmental targets, including green building rating, GHG emissions, energy and water usage reduction targets, and realigns its activities for the achievement of these targets.

Training and Awareness

To facilitate effective implementation of the EMS throughout the year, interactive training and awareness programmes are conducted for the entire workforce. Additionally, dedicated induction sessions are undertaken for new employees to acquaint them with the requirements of EMS, EHS Policy and their responsibilities. To properly enforce EHSMS guidelines, Heads of Departments in administration, operations, and project development, including heads of operating properties, design managers and project managers, must undergo extensive training. Apart from this, Managers organise several awareness programs for sustainability-focused discussions with stakeholders.

Internal and External Audits

CLINT has in place an internal audit system which ensures the conformance and effective implementation of its EMS to ISO 14001 international standards. These audits are conducted at least once a year. Despite COVID-19, CapitaLand continued to conduct internal audits within the group. Alternative audit modes such as virtual and/or hybrid of virtual and physical site audits were introduced to ensure the safety of CapitaLand staff and external auditors.

Green Building Rating, Benchmarks and Awards

The Trust recognises the environmental ambitions for its business partners and strives to deliver on their demand of sustainable building operations. These green ratings serve as an external validation that key environmental aspects have been considered in the Trust's design, development and operations. CLINT remains committed to the CapitaLand Group's overall target of achieving green certifications for all new and existing high value buildings in its portfolio by 2030.

CLINT is pleased to announce that in FY 2022, in keeping with its green building commitment, five additional buildings in the portfolio obtained Platinum or Gold certifications and five buildings were upgraded to Platinum green ratings. A total of 29 buildings within the CLINT portfolio are certified as Platinum or Gold by Indian Green Building Council (IGBC) or U.S. Green Building Council Leadership in Energy and Environmental Design (USGBC LEED) as of 31 December 2022. Figure 2 provides an overview of these certifications and awards.

Figure 2: Green Building Certifications

City	Property	Building	Award
Bangalore	International Tech Park Bangalore	Anchor Annex	IGBC Platinum
		Aviator	IGBC Platinum
		Creator	IGBC Platinum
		Discoverer	IGBC Platinum
		Explorer	IGBC Platinum
		Innovator	IGBC Platinum
		Inventor	IGBC Platinum
		Navigator	IGBC Platinum
		Victor	USGBC LEED Platinum
		Voyager	IGBC Silver
Chennai	International Tech Park Chennai	Crest	USGBC LEED Gold
		Pinnacle	IGBC Platinum
		Zenith	USGBC LEED Platinum
	CyberVale	Lakeview	USGBC LEED Gold
		Springfield	USGBC LEED Gold
		Building 3	USGBC LEED Gold
Hyderabad	International Tech Park Hyderabad	Atria	USGBC LEED Gold
		Capella	IGBC Platinum
		Orion	IGBC Platinum
		Vega	USGBC LEED Platinum
	aVance Hyderabad	aVance 2	IGBC Gold
		aVance 3	IGBC Gold
		aVance 4	IGBC Gold
	Cyber Pearl	aVance 6	IGBC Platinum
		Block A	IGBC Platinum
		Block B	IGBC Platinum
Mumbai	Aurum Q Parc	Building Q1	USGBC LEED Platinum
Pune	aVance Pune	Building 1	IGBC Platinum
		Building 2	IGBC Platinum
		Building 3	IGBC Platinum

Target	Performance
Obtain 100% certification by a green rating system administered by a national government ministry/ agency or World Green Building Council (WGBC) by 2030	In progress; 87% ⁴ of the buildings across the portfolio are certified either with IGBC or USGBC LEED green rating.

4 For business park assets, excluding Building Q1 and aVance 6 as they were acquired within the past two years. These buildings are USGBC LEED Platinum and IGBC Platinum rated, respectively.

Sustainability Report

CapitaLand Sustainable Building Guidelines

CapitaLand's Sustainable Building Guidelines (SBG), require integrating environmental considerations throughout the property lifecycle. The SBG specifies four major goals (reducing carbon footprint and energy consumption, enhancing water management, minimising waste generation, and promoting biodiversity) and has structured approach with responsibilities delegated to specific individuals for effective implementation.

SBG outlines mandatory Environmental Health Safety Impact Assessment (EHSIA) before any acquisition or development activity. The EHSIA requires a thorough analysis of the project's potential impacts on the surrounding environment along a wide range of indicators, such as biodiversity, air quality, noise, connectivity, and cultural heritage. Significant findings of the due diligence process and cost implications (if any) are documented in the investment paper submitted for approval. There are no properties in CLINT's portfolio located within protected areas and no material biodiversity risk has been identified.

Tracking our Environmental Results

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

CLINT employs CapitaLand's cloud-based Environmental Tracking System (ETS) platform for real-time tracking of environmental metrics. ETS facilitates centralised monitoring of energy and water consumption, carbon emissions and waste generation across the Trust's properties. This enables Property Managers to analyse environmental performance against past trends and targets and identify potential areas of improvement.

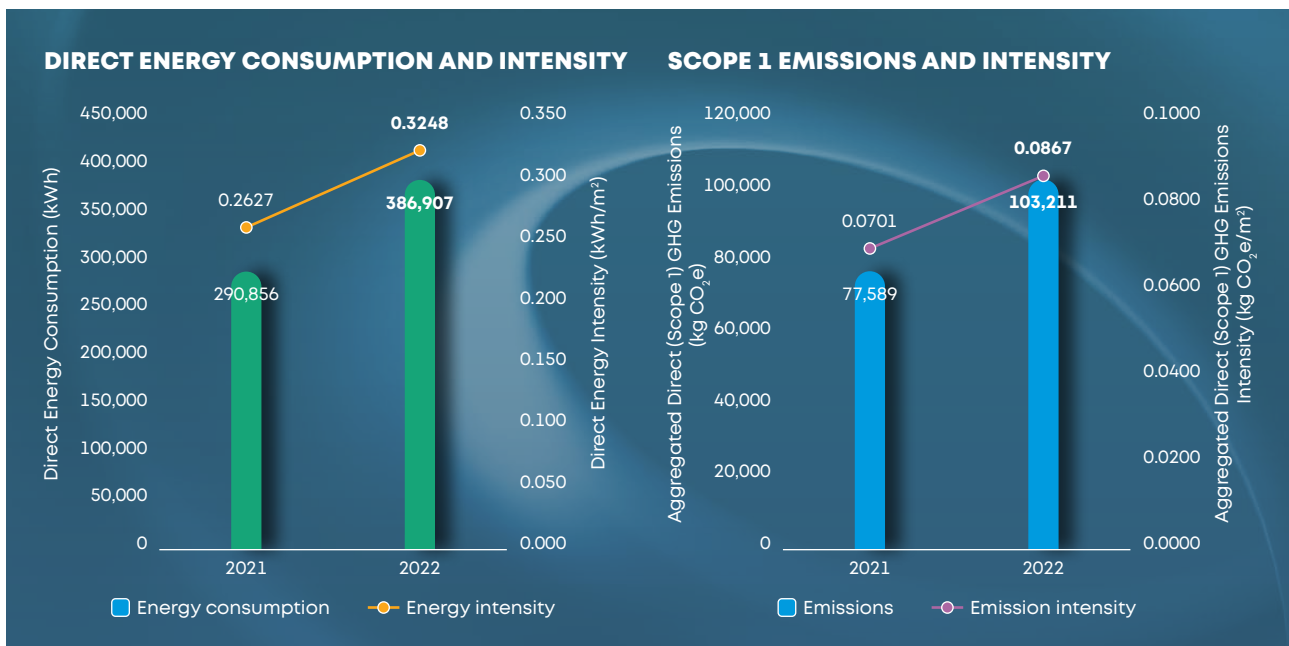
Majority of tenants in CLINT's business parks were working from home during FY 2020 and FY 2021, which resulted in lower park attendance rates, and corresponded to the reduced energy used and emissions intensity. With a return to normalcy in business operations, CLINT has witnessed an increase in park attendance across its properties, hence, leading to increased energy and emission rates for FY 2022 compared to the previous year. CLINT will continue to monitor its environmental performance and introduce initiatives that align with its environmental targets.

Energy and Carbon Emissions

The Trust's main sources of direct energy consumption comprises fuel consumption for emergency genset testing and diesel generators.

In FY 2022, the Trust utilised 387 MWh of direct energy which resulted in 103 tonnes of carbon dioxide equivalent (tCO₂e) of Scope 1 emissions. This reflects a Scope 1 emissions intensity of 0.09 kgCO₂e/m², a 28.6% increase from the prior year.

Figure 3. Direct energy consumption and intensity and Scope 1 emissions and intensity⁵



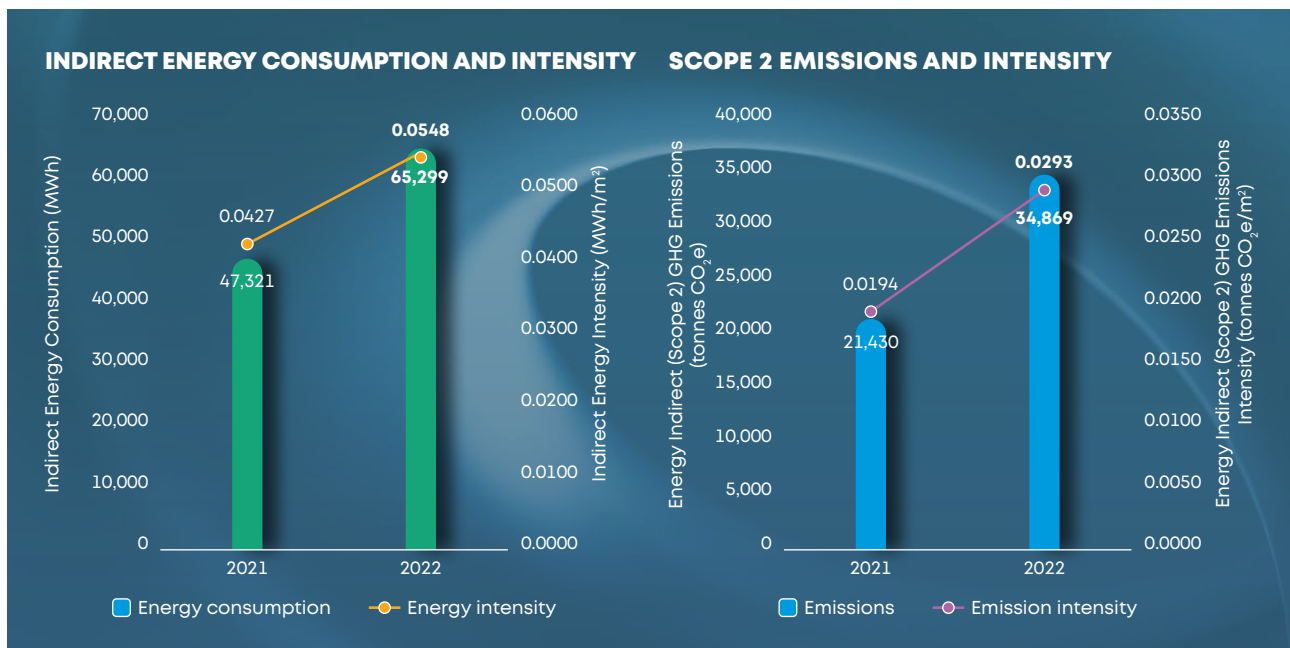
The Trust's indirect energy mix consists primarily of traditional grid energy and off-site solar farms, as well as the energy generated from solar rooftop installations in ITPB, ITPC, CyberVale, CyberPearl, aVance Hyderabad, Building Q1 and aVance Pune.

In FY 2022, the Trust utilised 65,299 MWh of electricity⁶, with an indirect energy use intensity of 54.83 kWh/m². This reflects a 28.3% increase in indirect energy use intensity across CLINT's parks as compared to 2021. CLINT's indirect energy use resulted in 34,869 tCO₂e of Scope 2 emissions, with an emissions intensity of

29.28 kgCO₂e/m², an increase of 51.3% as compared to last year.

This is largely attributable to the increased footfall within the properties with business returning to normal post-COVID-19. However, despite this greatly increased occupancy, CLINT's overall emissions intensity is still 46.1% lower than in 2019⁷, CLINT's baseline pre-COVID year. CLINT continues to make environmentally-conscious decisions to reduce carbon footprint in line with its sustainability commitment.

Figure 4. Indirect energy consumption and intensity and Scope 2 emissions and intensity⁸



5 The direct energy consumption for 2021 has been restated to only account for landlord fuel usage. In prior years, whole-building consumption of direct energy was reported due to a lack of data regarding landlord and tenant consumption. Additionally, there has been a change in calculation methodology. Diesel energy usage is directly metered, while in past years, diesel consumption for the year was estimated based on diesel top-ups made during the year. Scope 1 emissions for 2021 have been similarly restated.

6 This refers to energy consumption for common areas and air-conditioning.

7 2019 emissions have been restated to 58,646 tCO₂e to account for renewable energy consumption and reconciliation of consumption data.

8 Scope 2 emissions for 2021 have also been restated to account for rectifications in grid energy consumption. Energy consumption numbers were rectified in the previous sustainability report and do not need to be restated.

Sustainability Report



HIGHLIGHT: REVAMP OF THE CHILLED WATER MAKEUP SYSTEM AT CYBERVALE

The chilled water makeup system at CyberVale was re-engineered by connecting it to the building's domestic water system, using a hydropneumatic control and motorised valve. This is an innovative method that eliminated the need for a separate makeup water pump, greatly reducing associated maintenance and energy usage.



CAPITALAND SMART PARKS

Smart, Safe and Sustainable





CLINT ELECTRIC VEHICLE CHARGERS

Growing concern about climate action has led to increased interest in Electric Vehicles (EVs) in India. The Indian government has announced a goal to ensure all new vehicles sold in the country by 2030 are electric vehicles.

CLINT recognises the need to upgrade its own properties and contributes to the revamping of the

national infrastructure to accommodate this goal. In 2022, CLINT installed an additional 69 EV charging stations across its properties, bringing the total number of charging stations in the portfolio to 202. CLINT continues to explore further opportunities to expand the EV infrastructure network in alignment with the Indian Government's initiative to increase the penetration of electric vehicles in the country.



Renewable Energy

The increasing adoption of renewable energy is central to CLINT's decarbonisation strategy. This energy is sourced from off-site solar farms and solar panels installed on the rooftops of CLINT's properties. Since 2014, the Trust has been undertaking solar installations on the rooftops of its buildings and now has solar panels across majority of its parks' rooftops.

The Trust used 30,113 MWh of renewable energy in FY 2022, a 18.5% increase compared to FY 2021. The increased adoption of renewable energy has enabled the Trust to effectively reduce its indirect carbon footprint by approximately 29,842 tCO₂e in 2022.

Sustainability Report



SOLAR ROOFTOP INSTALLATIONS

In 2022, three solar panel installations were installed on aVance Hyderabad, aVance Pune, and Building Q1, with a collective generational potential of 705 MWh.



CARBON SEQUESTRATION

In 2022, CLINT carried out a pilot initiative to quantify the carbon sequestration potential of the trees in ITPB, with the results showing that the trees in the park demonstrated a sequestration potential of roughly 864 tonnes of CO₂ equivalent. CLINT plans to expand this exercise to other parks and work with a certified third party to quantify the impact.

The results will be used to support the conservation initiatives within CLINT's sustainability strategy, for instance the healing garden at ITPB.



EARTH HOUR

Earth Hour, initiated by the World Wildlife Fund (WWF), is an annual event that encourages individuals, communities and businesses to turn off non-essential electric lights, for one hour, from 8.30 to 9.30 pm on the last Saturday of March as a symbolic gesture of commitment to the health of the planet.

All of CLINT's business parks participated in Earth Hour 2022. Awareness initiatives were carried out to inform tenants of the Earth Hour campaign.



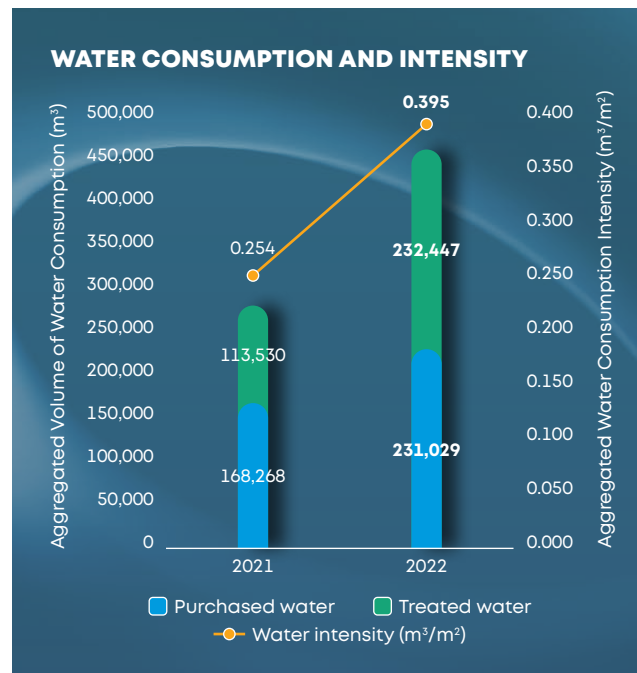
Water Management

Water is a basic amenity that's critical for the survival of mankind. However, several regions of India are prone to acute water scarcity. While the inherent nature of CLINT's operations requires a reliable water supply, the Trust also acknowledges the significance of the shared resource for the livelihood of neighbouring communities. It aims to optimise water consumption by employing market leading technologies, such as smart water meters and other water efficiency initiatives.

CLINT has been proactive in introducing initiatives to save on freshwater use. These include the 150 kilo litres per day sump at ITPH and the installation of pipes and filters for collecting the rainwater into the water tank at ITPC. Rainwater collected is mainly used for landscaping activities.

In FY 2022, the Trust utilised 463,476m³ of water, a 64.5% increase in consumption in comparison to the same period last year. This is largely attributable to the increased park attendance within the properties with business returning to normal post-COVID-19, as well as the inclusion of Building Q1, Aurum Q Parc, in the reporting scope. The Trust's corresponding water intensity rose by 56.0% to 0.39 m³/m².

Figure 5. Water consumption and water intensity



Sustainability Report



WATERLESS RESTROOM INSTALLATIONS AT PARK SQUARE MALL, BANGALORE

To reduce water consumption in the interest of environmental stewardship, waterless restroom facilities were introduced at the Park Square Mall at ITPB. In total, 67 installations that use a chemical agent cleaning system have been introduced at the Park Square Mall. The chemical agents used in the system are approved by the Environmental Protection Agency (EPA) or/ and are biodegradable. The initial findings suggest a monthly water saving of about 1m³ per urinal, which translates to an annual water use reduction of approximately 804 m³.

Waste

CLINT's sustainability approach emphasises the responsible ownership of waste originating from its property portfolio, while working closely with tenants to minimise and recycle waste generated from building operations. In FY 2022, a total of 720.6 tonnes of waste were generated, of which 67.9% were recyclable waste comprising paper, plastic, metals and other materials. This marks an overall 76.9% increase in waste generation from FY 2021 which is attributed to an increase in park attendance in FY 2022. The corresponding waste intensity rose by 62.1% as compared to FY 2021, to 0.60 kg/m². Non-recyclable waste generated in the portfolio is sent to landfills for disposal.

Paper Consumption Management in the Managers' Corporate Offices

Paper accounts for most of the waste generated from CapitaLand's corporate offices. As of 2020, all corporate offices under CapitaLand have reduced paper waste through the implementation of e-signatures, setting of paperless targets for corporate functions, digitalisation of documents, use "Follow me" printing to better track paper usage and minimise wastage, and deploying recycling bins (including secured bins) at the corporate office to encourage staff to recycle used paper.

The Manager actively promotes the use of environmentally-friendly paper, such as FSC-certified paper. There is no printing of CLINT's Sustainability Report, which is available on its website. Through

the "SmartParks" initiative, the Manager has also adopted contactless technologies such as the digital work permit for vendor management, as well as facial-based recognition system for security and attendance for all on-ground teams, which further reduces paper consumption.



HUMAN CAPITAL

Workplace health and safety is a critical factor driving the resilience of CLINT's relationships with key stakeholder groups. It strives for accident-free operations for the welfare of its contractors, tenants, suppliers and communities. Employee health and well-being are seen as critical to cultivating a thriving work environment. The Trust's risk management process consists of robust mechanisms that are regularly reviewed and upgraded.



Framework	
Policy and Objectives	<ul style="list-style-type: none"> Identify and reduce occupational injury rates to achieve zero harm Provide a robust OHS Management System (OHSMS) to meet and exceed OHS legal requirements Promote a culture of individual ownership and responsibility for OHS management Seek proactive support and participation from CLINT's top management, staff and stakeholders including tenants and supply chain (contractors and suppliers) Drive continuous improvement in OHS performance through active participation in industry and national programmes to raise OHS standards
Accountability	<ul style="list-style-type: none"> CEO is accountable ISO 45001 certified OHS Management System ensures accountability to the Managers and all staff Key performance indicators (KPIs) are linked to remuneration of all staff of the Managers, including top management
Methods/Action plan	<p>OHS Management system</p> <ul style="list-style-type: none"> Legal compliance Identification of hazards and risk assessment Sustainable Building Guidelines – Design for Safety (Dfs) Safe operations – OHS Standard Operating Procedures (SOPs) Training and awareness Give preference to ISO 45001-certified supply chain vendors and suppliers Appoint ISO 45001-certified main contractors or carry out OHS legal compliance audit onsite KPI OHS performance of staff Stakeholder engagement
Stakeholder engagement	<ul style="list-style-type: none"> Educate key stakeholders including tenants and the wider community

Sustainability Report

Top Management Commitment and Staff Involvement

CapitaLand follows a systematic approach towards Occupational Health and Safety (OHS) with an organisation-wide commitment towards building a safe working environment. The OHS programs are driven by top management, targeting active staff participation through the EHS management system and stakeholder engagement. The CEO of the Trustee-Manager and CEO of CapitaLand India Business Parks are accountable for the overall OHS performance of CLINT and its properties. CLINT's work culture promotes personal responsibility towards organisational OHS and raising of non-compliance, near-miss and other EHS related incidents to respective business unit management. A list of the respective business unit representatives is made available and maintained on the CapitaLand intranet. Besides this, CLINT's people-focused OHSMS seeks the proactive involvement of workers with joint consultations and regular training sessions.

Robust OHS Management System

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

Certified to International Standards

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

Internal and External Audits

Internal audits of all business parks are conducted to secure effective enforcement of OHSMS to the ISO 45001 standards. In addition, external audits are conducted annually by an accredited third-party certification body. These audits provide top management and external investors confidence in its OHSMS, legal compliance requirements and commitment to best practices.

Compliance

Legal requirements are reviewed on a quarterly basis, and compliance to these requirements are evaluated annually. There were no instances of non-compliance in CLINT's properties in FY 2022.

Risk Management of OHS Hazards

The Managers closely monitor business processes and strive to identify OHS hazards, gauge their risk level, and introduce adequate interventions to eliminate or minimise OHS hazards. Hazards Identification and Risk Assessments (HIRA) are reviewed annually or when appropriate, for instance, following a change in processes. Common hazards include poor ergonomics, falling from height, falling objects and working in an enclosed space. In response, the Managers have established several Standard Operating Procedures (SOPs) with the objective of minimising the occurrence of the known hazards.

Training and Awareness

Workforce training and awareness is central to the CLINT's agenda of building risk-aware culture. Regular sessions are organised for employees of CLINT. These training sessions cover aspects of CLINT's safety culture and practices, and include safety induction training, critical activity training, and daily toolbox talks, among others. These trainings extensively cover the response mechanisms for different occupational accidents. Apart from workplace safety campaigns, CLI organises monthly well-being programmes to promote mental, physical, and emotional well-being of the workforce. These initiatives provide a platform for the identification and timely addressal of emerging wellness challenges faced by the CLINT's workforce.

In FY 2022, new OHS trainings have taken place throughout the year. These training focus on a range of topics including fire safety, security management and systems as well as on management of visitors during the context of a pandemic.

Measures to Mitigate Risks of Serious Diseases

CLINT has prepared Standard Operating Procedures (SOPs) for the timely management of serious diseases. These mechanisms are regularly reviewed and revised per the latest local and state guidelines and group-wide procedures. Information on pandemic-related precautionary measures is propagated via the intranet. Similarly, the human resource department proactively disseminates medical and travel advisories to the staff.

Measuring our Safety Performance

In FY 2022, there were zero work-related fatalities, high consequence⁷ injuries, and occupational diseases recorded. As part of its OHSMS, CLINT will continue to monitor its OHS performance, reinforce safety standards and review its procedures for improvement.

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

Security and Safety at Business Parks

CLINT constantly strives to provide a safe and secure environment for its employees, tenants, and property visitors. To achieve this, the Trust employs both physical protection measures and modern security technologies, including power fencing, unique hologram identification stickers for vehicles and personnel, and closed-circuit television (CCTV) systems.

The Managers are cognizant of the safety concerns of stakeholders and have made adequate provisions for continuous vigilance of the properties. Moreover,

regular engagements with external vendors are undertaken to ensure the resilience of deployed mechanisms and gauge their preparedness to anticipate, evaluate and address security threats.

Standard procedures such as building evacuation, video surveillance backup and visitor identification checks are deployed. Additionally, the Property Managers cooperate with the local police, the State Intelligence Bureau and the Centre for Counter-Terrorism to stay acquainted with potential threats and timely launch of emergency preparedness procedures, if required.

⁷ A high-consequence injury is a work-related injury that results in a fatality or an injury from which the worker cannot, or does not, or is not expected to recover fully to pre-injury health status within 6 months.

Sustainability Report



NATIONAL SAFETY WEEK

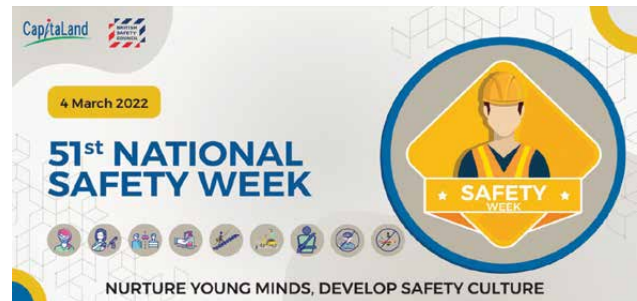
During India's 51st National Safety Week in 2022, over 4,500 personnel across CLINT's parks joined the Safety Week activities including seminars, quizzes, mock drills, and demonstrations. Safety Week was organised to instil a culture of safety in the occupants of CLINT's spaces and educate them on the importance of occupational health and safety management.

Some of the events organised by CLINT/ the Managers during the National Safety Week include:

- Fire Safety Demonstration and Training. These activities were held at 8 parks in 5 cities and attended by over 600 property management service provider staff.
- Medical Check-ups for Workmen. Over a thousand workers in CLINT construction sites were provided with free health check-ups. Ensuring the health

of all the Trust's workers prevents work-related ill-health and injury in future months.

- Safety Training on Various Topics. More than 1,000 workers in CLINT construction sites were provided with safety trainings on various topics. Constant trainings such as this are a key component of maintaining constant vigilance against OHS hazards at all sites.



Supply Chain Management

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

The Managers are guided by CapitaLand's Supply Chain Code of Conduct to influence its supply chain to operate responsibly in anti-corruption, human rights, health and safety, and environmental management.

Vendors and Service Providers

All vendors are subject to the declaration of their compliance with CapitaLand's Supply Chain Code of Conduct during the quotation or tender submission process. In all term contracts, the Managers incorporate Risk Assessment Forms. Suppliers must submit a copy of their risk assessment in cases where their activities pose significant health and safety risks to the staff or visitors. For contractors, house rules enforce requirements such as deploying personal protective equipment, reporting accidents and proper disposal of debris and toxic waste.

To manage its suppliers, CLINT employs Zycus, an online Procure-to-Pay platform that can be accessed by its suppliers. Under Zycus, all new Property Management suppliers appointed in 2022 were screened using social and environmental criteria. Performance of the contractors is monitored regularly and reflected in contractor performance evaluation ratings. PMD's Main Contractors finances are also checked in accordance with CapitaLand's Contractor Financial Check to ensure fiscal sustainability.

Human Rights

CLINT leadership recognises the critical role played by its high-performing workforce in driving the growth trajectory of the Trust in the region. Its human capital development strategy recognises the strong relationship between a thriving workforce and the long-term value-generation potential of the Trust. Its Key Performance Indicators (KPI) ensure the alignment of employee performance with business goals. Additionally, it aims to fulfil the diverse needs of its people for professional upliftment.

Discrimination, Anti-Child Labour and Anti-Forced Labour

CLINT is against any form of coerced labour and discrimination. As a CapitaLand-sponsored business Trust, it adheres to international human

rights principles including the Universal Declaration of Human Rights and the International Labour Organisation (ILO) Conventions.

In 2022, there was no reported incident relating to discrimination, child labour or forced labour in CLINT, and the company had no employees below the age of 16.

Diversity and Inclusion

CLINT embraces diversity and inclusivity regardless of age, religion, gender, race, nationality and family status. The Trustee-Manager believes that all employees can make substantial contributions based on their diverse talent, expertise, and experience.

The Trust identifies talent internally and externally to build bench strength and a talent pipeline for leadership succession planning. CapitaLand's Graduate Development Programme (GDP) nurtures promising young graduates with less than two years of working experience. The programme offers a holistic structure with prospects for personal growth and development, with a comprehensive learning roadmap through job rotations within the group. Talent recruitment is carried out via a network of local and overseas universities.

Gender Diversity and Pay Parity

CLINT is an equal opportunity employer, and its reward mechanisms compensate its workforce fairly based on the parameters of merit, skillset, and experience for comparable roles across the organisation's hierarchy. Its incentive systems encourage positive performance and are gender neutral. Staff pay is periodically benchmarked and revised based on the insights of gender-neutral surveys conducted by independent remuneration consultants.

Job Creation, Employment and Re-employment Opportunities

The Trust is committed to extending meaningful employment opportunities to its workforce. CLINT considers its employees brand ambassadors and aims to fulfil their career aspirations to the extent possible. Staff are offered opportunities for job rotation across different business functions, subject to conformance with competency requirements and business needs.

CLI has a re-employment policy of extending employment for staff who have reached the mandatory retirement age but are still able and willing to continue their employment, subject to business needs and work performance.

Sustainability Report

Respect for Freedom of Association

CLINT abides by the Industrial Relations Act that permits its employees for representation by trade unions. It provides an avenue for the employees to seek redress for any industrial disputes.

Talent Management

CLINT strives to secure a dynamic and skilled workforce to build upon its market competitiveness continuously. It maintains a diverse mix of young talent, mid-career professionals and industry veterans to achieve this. CLINT continuously builds its management pipeline by cultivating high potential talent internally and externally recruiting as part of its regular succession planning process.

Positive Work Environment

CLINT embraces creating a positive work environment and recognises its significance in fuelling the workforce and operational productivity.

Its total well-being programme promotes personal development, health, and work-life harmony. The Trust's employees are entitled to flexible medical and benefits plans. Additionally, the flexible work arrangement policy extends multiple benefits to the workforce regarding flexible working hours, work-from-home, or part-time work arrangements depending on employees' specific needs. Further, eligible employees are entitled to parental leave. In addition to maternity and paternity leave, CLINT provides Family Event Leave and Childcare Leave for employees to care for their families when required.

In the event of significant operational changes, CLINT follows the same guidelines laid out by CLI. It will ensure the unions and staff are engaged in advance for consultation and thereby minimise potential operational disruption and impact on the affected.

In the same direction, CLINT's workforce is extended several other benefits. This includes staff engagement programmes and subsidised rates for a stay at Ascott's serviced residences and hotels. Furthermore, more than 45% of employees have been with the Trustee-Manager for five years or longer. Additionally, as part of CLINT's retention efforts, the company carries out an exit interview with employees leaving the company to gather feedback on the company's strengths and weaknesses, which serves to help CLINT make improvements to create a more positive and supportive work environment.

Fair Remuneration

All employees sign employment contracts with clearly stated employment terms and conditions for employees to understand. This includes key employment terms such as job title and description, working hours, salary and statutory contributions/deductions, leave entitlements, probation and notice periods, key insurance and medical benefits, etc.

All regular full-time staff undergoes an annual performance review with an open discussion on the staff's performance, areas for improvement, developmental needs, and career plans. To ensure that CLINT remains competitive and able to attract and retain talent, external consultants are engaged to benchmark the Trust's compensation packages against relevant talent markets. Beyond base salaries, other components of the compensation packages encompass short-term cash bonuses and long-term equity-based reward plans.

CLINT's reward system motivates and rewards staff with a comprehensive and competitive compensation package and benefits program that drives operational excellence. It adheres to the pay-for-performance philosophy that ensures the alignment of staff performance with the interests of shareholders.

The amount of variable bonus awarded to employees is further based on their relative contributions and individual performance. Additionally, staff at managerial levels are eligible for long-term share awards. The share awards are subject to the achievement of pre-defined profitability and shareholder return targets and are released over the duration of three years.

Upskilling the Workforce for the Future

CapitaLand recognises the ongoing technological transformation of the real estate industry and aims to constantly advance the competency level of the workforce. In that direction, it has launched a series of programmes to build the technological capabilities of its human capital. CapitaLand has institutionalised the 'Building Capabilities Framework' (BCF) that is centred on cultivating the pool of technically sound workforce. The BCF framework was launched in Singapore in 2019 and rolled out globally by 2020.

In FY 2022, 100% of the Manager's employees attended at least one learning event, and the average number of training hours completed by each employee for the year was more than 14 hours.



UPSKILLING CLINT'S WORKFORCE

CapitaLand recognises the impact of technology in the workplace. In August 2019, CapitaLand Institute of Management and Business (CLIMB) implemented the 'Building Capabilities Framework' (BCF) to build a future-ready workforce with a digital mindset, competencies and capabilities to remain competitive in the future real estate landscape. Since FY2020, the Framework has been rolled out globally. Employee competencies were categorised under Core, Functional, Adaptive, Digital skills, and three levels of master (Aware, Apply and Ace) were identified.

Listed Funds Symposium

Held in November 2022, the symposium ran for a full day and featured four separate panel discussions.

The event presented an opportunity for members of the different funds in the CapitaLand Listed Funds Family to exchange ideas, discuss progress and challenges, and showcase their achievements.



Knowledge Exchange Programme

The Knowledge Exchange Programme is a networking and information-sharing platform to explore topics relating to CLI's business. The programme allows employees to share their project initiatives and best practices to enhance internal communication and knowledge sharing and promote business understanding and collaboration across teams. In addition, internal and external speakers were regularly invited to share experiences during the sessions. In 2022, the Knowledge Exchange Programmes included "The Yin and Yang of Interest Rates and World Events", "Ascott and The Evolution of the Hospitality Industry", and "Five Business Lessons over 90 Years".

Coffee & Learn

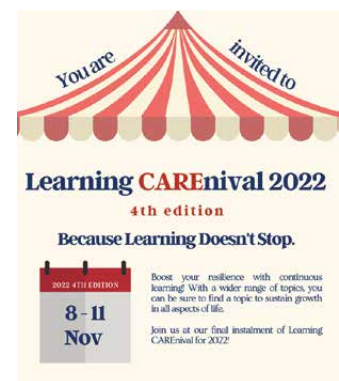
Coffee & Learn was an initiative launched in 2022 that aims to connect employees with the leaders/team leads working in different functions within the Listed Funds family. Through these informal sessions, employees were given the opportunity to seek personal and professional advice from mentors, helping them to navigate their career paths, manage challenges, and gain valuable knowledge and skills.



Learning CAREnival

In prior years, the Learning CAREnival was held annually as a multiple-day-long event. In the interest of promoting lifelong learning and constant personal growth within the workforce, in FY2022, the frequency of the Learning CAREnival has been increased to make it a quarterly event.

This provides greater learning opportunities for CLI's workforce, providing them with a selection of workshops, talks, and activities, covering a multitude of topics including digital fluency, holistic well-being, career resilience, sustainability, lifestyle, and leisure.



Sustainability Report

Employee Engagement

Staff satisfaction is crucial from an operational standpoint at CLINT. The more engaged the Trust's employees, the greater their commitment levels towards business objectives. CLINT engages with its workforce through multiple channels, including employee communication sessions, surveys and the staff intranet portal, which acquaints staff with latest information on a wide variety of topics such as employment terms, benefits and practices, Ethics and Code of Business Conduct, as well as Fraud, Bribery and Corruption Risk Management Framework.

CapitaLand continuously advocates a supportive work culture that enriches the professional experiences of its workforce and ensures timely redressal of their employment-related concerns. This includes harassment, grievance handling and whistle-blowing policies applicable to all staff. Staff are encouraged to escalate their concerns with the Human Resource (HR) Department and higher management.

The Managers recognise that employee engagement is even more important as employees shift to hybrid ways of working. The following table provides the key highlights of employee engagement activities in FY 2022 that CLINT engaged in, some of which were organised at the Group level:

CapitaLand Staff Appreciation Dinner 2022

With business going back to normal after the pandemic, the CapitaLand Group was finally able to host the first in-person annual dinner in three years for its employees. A total of 1,991 attendees – CLINT's staff among them – were treated to a night of performances by senior leadership as well as talent show contestants.



Employee Engagement Survey 2022

CLI launched a virtual employee engagement survey, which was conducted in September 2022 to gauge how well engaged employees were. The survey created a platform for employees to share their thoughts and feelings about working in the organisation. The results were aggregated to understand employees' perceptions of their work environment and identify areas for improvement. With a participation rate of 91%, the survey garnered an employee engagement score of 83% which placed it within the 75th percentile globally.



Core Values Ambassador Awards

In FY2022, 215 employees were nominated by their peers for exemplifying CapitalLand's Core Values. Eventually, 21 winners were chosen, across 5 different countries. Each winner received a token of appreciation for their commendable representation of the Group's culture.



Empowering Workers: The Ambassador Programme

Launched in July 2022, the programme was designed to serve as a platform for employees to share their thoughts, feelings, and feedback about their work or the challenges they faced.

The Ambassadors were chosen from the employee pool and trained to offer support and guidance to colleagues, act as a sounding board for concerns or ideas, and facilitate communication between management and employees.



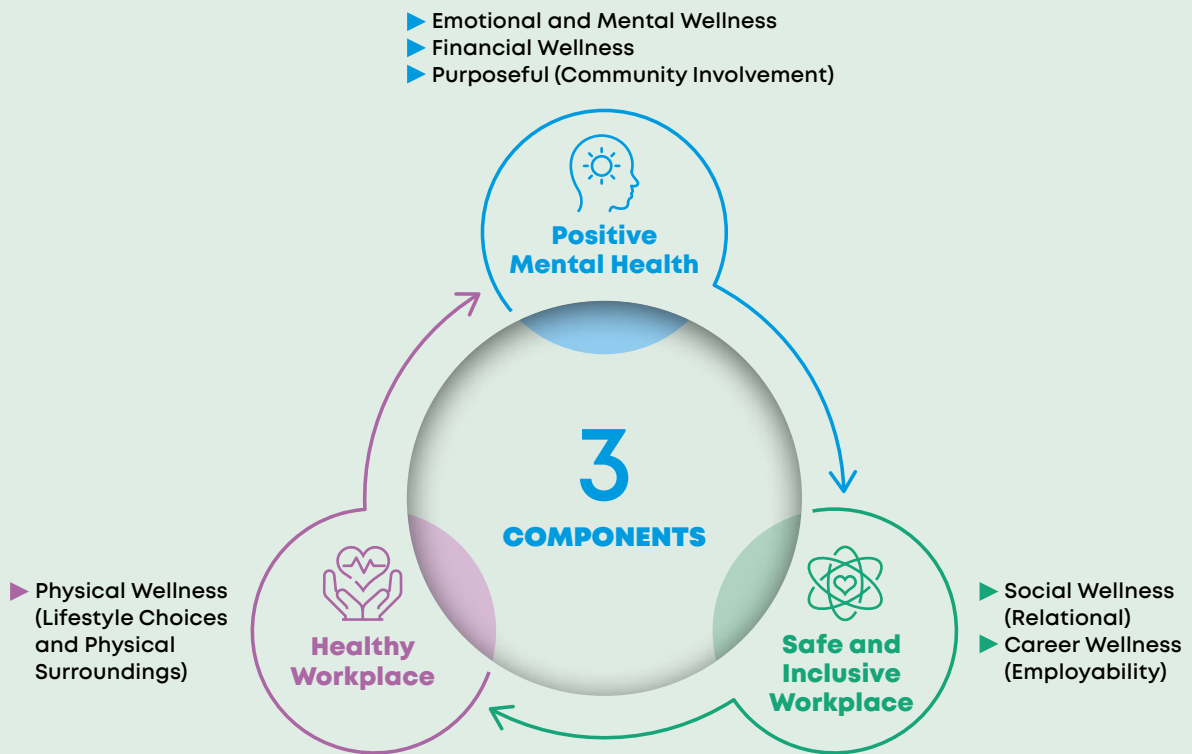
Sustainability Report

Employee Well-being

CapitaLand is conscious of its duty of satisfying the overall well-being of its people, an ethos CLINT abides by as well. This not only includes physical safety, but also the psychological needs of the staff. CLINT recognises that mental well-being is fundamental to its employee satisfaction and productivity. The employees are encouraged to participate in monthly group wellness activities, health talks, and Corporate Social Responsibility (CSR) events.

CapitaLand Well-being Programme Refresh

In 2022, CapitaLand's Well-being Programme was refreshed for a more holistic approach to employees' well-being. The new framework focused on 6 dimensions of wellness, with each one contributing to the employees' sense of wellness or quality of life, and with each one affecting and overlapping the other. Collectively, these components aimed to uplift employees' work performance, strengthen engagement and commitment to the organisation.



7

PROGRAMMES AND INITIATIVES



257

UNIQUE ATTENDEES
from various business units and job levels



GLOBAL PARTICIPATION BY

13

COUNTRIES

Caring for Employees

MENTAL HEALTH AWARENESS MONTH

In October 2022, special emphasis was placed on CapitaLand employees' mental well-being, with the theme "Make Mental Health and Well-being for All a Global Priority". The month featured staff communications with links to CLI's available mental health resources, as well as reminders that It's 'Okay to Reach Out' when employees feel overwhelmed or need a listening ear. By raising such priorities, it helped to collectively strengthen the mental resilience and develop a mental health ecosystem within the organisation.

In addition to existing resources, CLI held a Workplace Mental Wellness First Aid Talk on 26 October which was conducted by a principal psychologist, for employees to learn more about understanding and managing anxiety at the workplace. The talk was an hour long and made available to all employees globally.



Sustainability Report

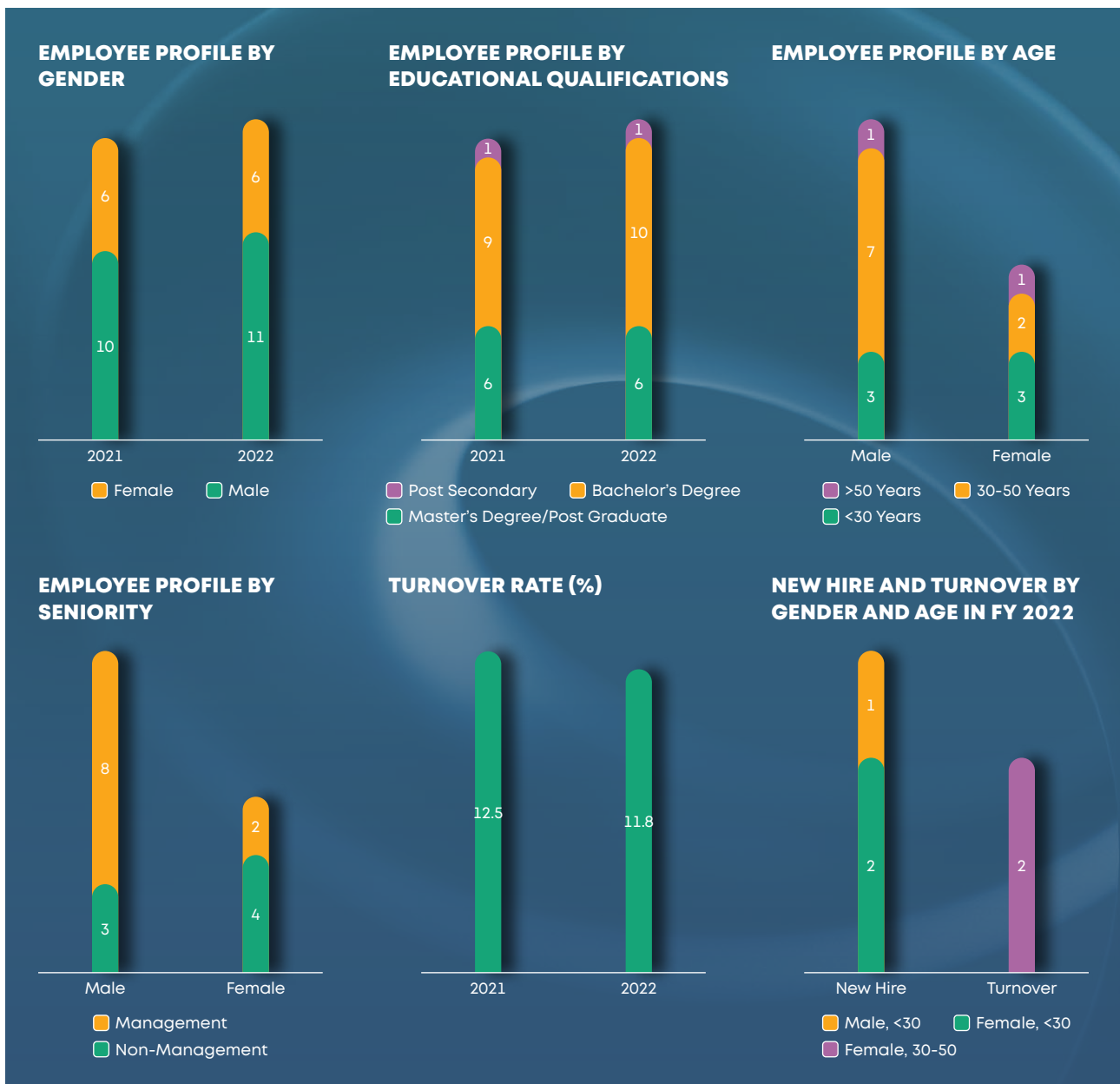
Employee and Worker Profile

As of 31 December 2022, the Trustee-Manager has 17 employees, all of whom are in Singapore. All employees were hired with permanent contracts and on a full-time basis. There are no non-guaranteed hours employees.

In FY 2022, CLINT had three new hires who joined, representing a 17.6% rate for new employee hires at CLINT. The three new hires comprised two females and one male, all aged below 30 years old.

During this same period, there was a turnover rate of 11.8%, with two females leaving the company with both aged between 30-50 years old. Figure 6 below illustrates the Trustee-Manager's employee's profile.

Figure 6. Employees Profile





At CLINT, workers are categorised similarly to CLI which include interns and contractors that provide cleaning/housekeeping and security services at

its properties. As of 31 December 2022, CLINT has approximately 3,300 workers spread across CLINT's eight IT parks.




SOCIAL AND RELATIONSHIP CAPITAL

Stakeholder Engagement

CLINT management actively seeks to build positive and long-lasting relationships with all stakeholders. These include the investment community, employees, tenants, suppliers, contractors and the local community. The influence and interest of all stakeholders are considered when determining the Trust's key stakeholder groups. CLINT leverages several channels for active communication and timely addressing of the concerns of its stakeholders.

Key Stakeholder Groups	Needs and Expectations of Stakeholder Groups	Key Engagement Channels	Frequency	Actions and Goals
Investment Community 	<ul style="list-style-type: none"> Strategic and sustainable growth, total returns Accurate, timely and comprehensive information to make sound judgements Regular and clear communications and updates 	<ul style="list-style-type: none"> CLINT website, SGXNet, email alerts Annual General Meeting Annual Report and Sustainability Report Investor perception survey Meetings and conference calls Non-deal roadshows 	<ul style="list-style-type: none"> Throughout the year Annually Annually Biennially Throughout the year Regularly 	<p>The Trustee-Manager aims to provide timely and transparent communications to keep the investment community apprised of significant topics relating to corporate developments, portfolio performance, asset and capital management, sustainability matters, and acquisitions and divestments.</p>
Employees 	<ul style="list-style-type: none"> Active engagement Career progression, job security and stability Competitive remuneration, employee benefits Learning and development opportunities Workplace safety, health and wellness 	<ul style="list-style-type: none"> Staff communication sessions with Senior management team Employee surveys Induction programmes Internal communication through Intranet portal Performance appraisals Training and workshops Wellness, sports and social activities 	<ul style="list-style-type: none"> Bi-annually Regularly Regularly Regularly Throughout the year Regularly Regularly 	<p>The Managers strive to create a cohesive and healthy workplace based on trust, mutual respect and active communication. With that, great emphasis is placed on employee empowerment and equal opportunity for all. The Human Resources team continuously obtains feedback on the Trust's engagement methods and employment practices in order to strengthen the cohesion of its workforce.</p>

Sustainability Report

Key Stakeholder Groups	Needs and Expectations of Stakeholder Groups	Key Engagement Channels	Frequency	Actions and Goals
Tenants 	<ul style="list-style-type: none"> • Competitive rental rates • Quality of facilities • Safety and security practices 	<ul style="list-style-type: none"> • Active communication • Networking events • Tenant surveys • Tenant engagement activities 	<ul style="list-style-type: none"> Throughout the year Throughout the year Regularly Throughout the year 	<p>The Managers are committed to providing premium quality solutions of business infrastructure, services and enhancing workspace experience to meet the needs of tenants. In addition, securing properties from threats and ensuring the health and hygiene of tenants and visitors is of paramount importance.</p>
Suppliers and Contractors 	<ul style="list-style-type: none"> • Fair and reasonable treatment • Share industry best practices 	<ul style="list-style-type: none"> • Standard operating procedures, guidelines and house rules for compliance • Share CapitaLand's EHS policy with suppliers • Share CapitaLand Supply Chain Code of Conduct with suppliers • Collaborate with suppliers to manage EHS challenges 	<ul style="list-style-type: none"> Throughout the year 	<p>The Managers work closely with contractors and suppliers to have a shared commitment to high quality EHS standards.</p>
Local Communities 	<ul style="list-style-type: none"> • Creation of employment opportunities • Operate in a responsible manner • Support social development and community activities 	<ul style="list-style-type: none"> • Corporate social responsibility (CSR) activities through CapitaLand Hope Foundation • Formalise three days of Volunteer Service Leave (VSL) for its staff to participate in activities related to the needy and underprivileged in Singapore and overseas, and green volunteerism related to resource conservation, waste minimisation and recycling, pollution control and nature conservation 	<ul style="list-style-type: none"> Ad hoc 	<p>The Managers advocate the spirit of caring and sharing for the communities they operate in. Carefully managing and minimising the societal and environmental impacts of its operations is critical in fulfilling its duties as a responsible corporate citizen.</p>

Tenant Experience

CLINT's business growth trajectory depends upon the value it creates for its tenants. The Trust seeks to engage with its tenants proactively, listen to their experiences and fuel their ambitions. Tenant satisfaction is of fundamental value to the Trust's market proposition. CLINT employs industry leading technology and solutions to consistently improve the operating environment for its tenants.

Tenant Outreach Events

NATIONAL CELEBRATIONS

Republic Day Celebrations

On 26 January 2022, CLINT held celebrations across five of its properties in different cities to mark Republic Day. The celebrations featured a march with trumpets and drums, as well as the hoisting of the tricolour, India's national flag. The festivities concluded with the distribution of sweets to all attendees.



PERFORMANCE FESTIVALS

LiveWire

CapitaLand India's annual talent fest LiveWire was held in 2022 after a two-year gap, and saw massive participation from CLINT's tenants, who put up performances across various cultural categories, including singing, dancing, band music performances, and fashion displays.

The week-long festival culminated with finale events in Bangalore, Hyderabad, Chennai, and Gurgaon.



Zumba Party

In July 2022, tenants of ITPH and CyberVale were treated to a Zumba party, to encourage a physically active lifestyle as well as a mental break to rejuvenate and recharge.



Sustainability Report

Tenant Outreach Events

ENRICHMENT EVENTS

FIFA World Cup Screening

On 18 December 2022, ITPB hosted a live screening of the 2022 FIFA World Cup Final for the park community. The screening was well received by the park's tenants, as it provided a break from work as well as a communal atmosphere to view the culmination of the globally beloved event.



Confetti

From 12 to 16 of December 2022, CLINT hosted a slew of festivities at its properties in Pune and Mumbai, to enliven the atmosphere at its parks during the Christmas season. Activities included concerts, flea markets and games.





ASSET ENHANCEMENT FOR THE COMFORT AND WELL-BEING OF STAKEHOLDERS

CLINT's spaces are at the centre of its business. In addition to greening its assets, CLINT recognises the importance of designing and optimising them for the comfort and well-being of all its customers. The Managers constantly looks for opportunities to revamp its buildings for improved tenant satisfaction. In 2022, this took the form of enhancements to the natural environment at the ITPB and ITPC.

Healing Garden at ITPB and ITPC

At ITPB, a curated healing garden has been set up. Native medicinal plants and bamboo plants, which contribute to purifying the air, have been planted, and a pebble stone track for acupressure and reflexology purposes has been set up. These improvements to the park scape have helped create a tranquil environment for staff to unwind.

At ITPC, similarly, enhancements have been made to enhance the tranquillity of the space. This includes constructing a pond and shelter for geese, which allows park visitors to relax with the natural fauna.



An aerial view of the healing garden at ITPB

Installation of a mist air conditioning system at the rooftop terrace in VITP - Pune

A mist air conditioning system has been installed at the rooftop dining space at VITP- Pune, as it experiences high levels of heat during the summer months. With the installation of the mist air conditioning system, it remains a welcoming place to spend time all year round. This also benefits the food and retail outlets located on the rooftop terrace by providing more favourable conditions for visitors, allowing for consistent revenue generation.



Community Engagement

Community development is a crucial focus of CLINT's sustainability strategy. This has helped build substantial social capital and goodwill for CLINT in the communities where it operates. The Trust supports various community engagement activities to address a wide range of issues, including environmental sustainability, health and safety, social integration, empowerment of underprivileged children and old age care for senior citizens of the community.

Sustainability Report



CAPITALAND HOPE SCHOOL 2

FY 2022 saw the launch of the second CapitalLand Hope School in Bangalore with 8 classrooms, a multi-purpose hall, library, and a computer and science lab, the school provides an opportunity for education and a brighter future to 450 children.



Green Day 2022

CLINT's environmental stewardship does not stop at its internal practices and initiatives. CLINT strives to cultivate similar appreciation of the planet in its surrounding communities. For Green Day 2022, CLINT organised a tree planting programme for the students at Hope School in Mahadevpura.





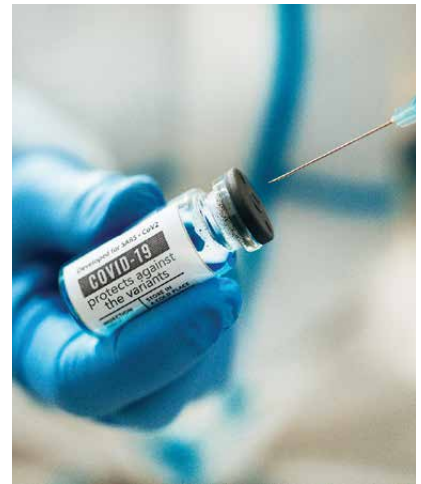
Independence Day Celebration 2022

To commemorate India's Independence Day on 15 August 2022, a celebration was organised for the school children, including performances, prizes, and hoisting of the national flag.



VACCINATION DRIVES

In 2022, 16 vaccination drives were held across five CLINT properties; four vaccination drives at ITPB, one at ITPC, and eleven at the parks of ITPH, CyberPearl, and aVance Hyderabad. These efforts encouraged the Trust's tenant communities to carry out their social responsibility in limiting the spread of the COVID-19 virus. In CyberVale, the Property Manager worked with the Tamil Nadu Health Department and Mahindra World City to organise an awareness session on the importance of receiving the booster dose of the vaccine.



Sustainability Report

Advocating Staff Volunteerism



COMMUNITY INVOLVEMENT INITIATIVES

CapitaLand #GivingAsOne

#GivingAsOne is a platform for staff, business partners and customers to do good together in uplifting the lives of underprivileged groups and improving the communities in which CapitaLand operates.

An example of a #GivingAsOne initiative in India, was when CLINT actively participated in the distribution of around 775 school supplies kits to six government schools in the ITPB neighbourhoods.



CapitaLand #LoveOurSeniors

In 2022, employees and tenants participated in #LoveOurSeniors Bread Delivery, #LoveOurSeniors Essential Care Pack Delivery and #LoveOurSeniors Sin Ming 26 Resettlement Project from June to October, activities organised by CapitaLand Hope Foundation, the philanthropic arm of CapitaLand Group.

Over 5,000 seniors in Singapore have benefitted from #LoveOurSeniors programme, made possible with the time contributed by more than 600 staff and 148 tenant volunteers.

- **Bread Delivery**

Tenant volunteers from various companies participated to deliver wholemeal bread loaves to seniors in need while bonding through this volunteering.

- **Sin Ming 26 Resettlement Project**

Due to redevelopment plans, more than 130 low-income senior residents of Block 26 Sin Ming were relocated to other rental blocks across Singapore in phases from July to December this year. To ease the socio-emotional, financial, and mental stress that seniors may face during the move, CapitaLand Hope Foundation partnered with AMKFSC Community Services to provide financial support for the seniors to purchase furniture and appliances.

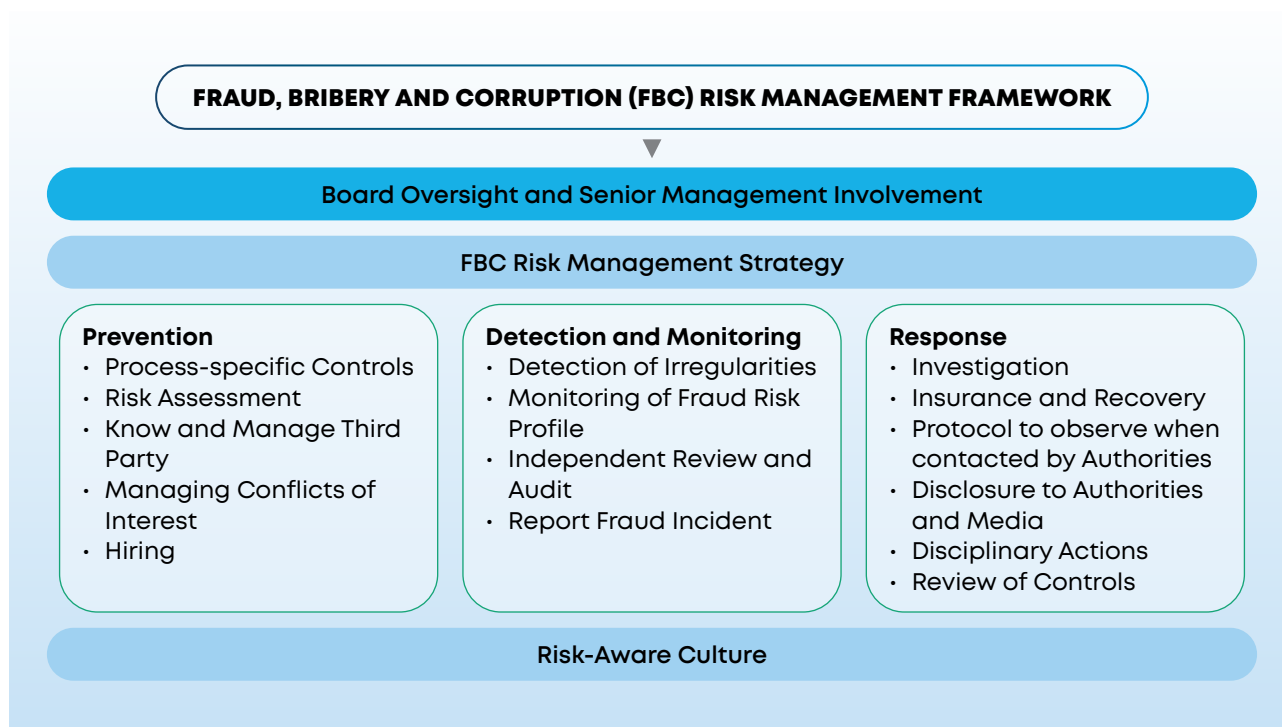
Over 50 staff volunteers and 6 Workspace tenant volunteers also assisted the senior residents with packing, unpacking and arranging new furniture in their new homes, as well as accompanied them to purchase household items for their new homes and have a meal together at IMM.

Essential Care Pack Delivery

In its second edition, more than 140 tenants from 7 companies delivered Essential Care Packs comprising of food items and daily essentials which were packed

by CapitaLand staff volunteers. Care packs were delivered across Singapore to 5,000 vulnerable seniors, a doubling of senior beneficiaries compared to 2021.

ORGANISATIONAL CAPITAL



CLINT adopts a zero-tolerance stance against any Fraud, Bribery and Corruption (FBC) in the conduct of its business activities and expects all its employees to be committed to the highest standards of integrity in their work and business dealings.

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

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

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

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

Whistle-Blowing Procedure

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

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

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Training

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

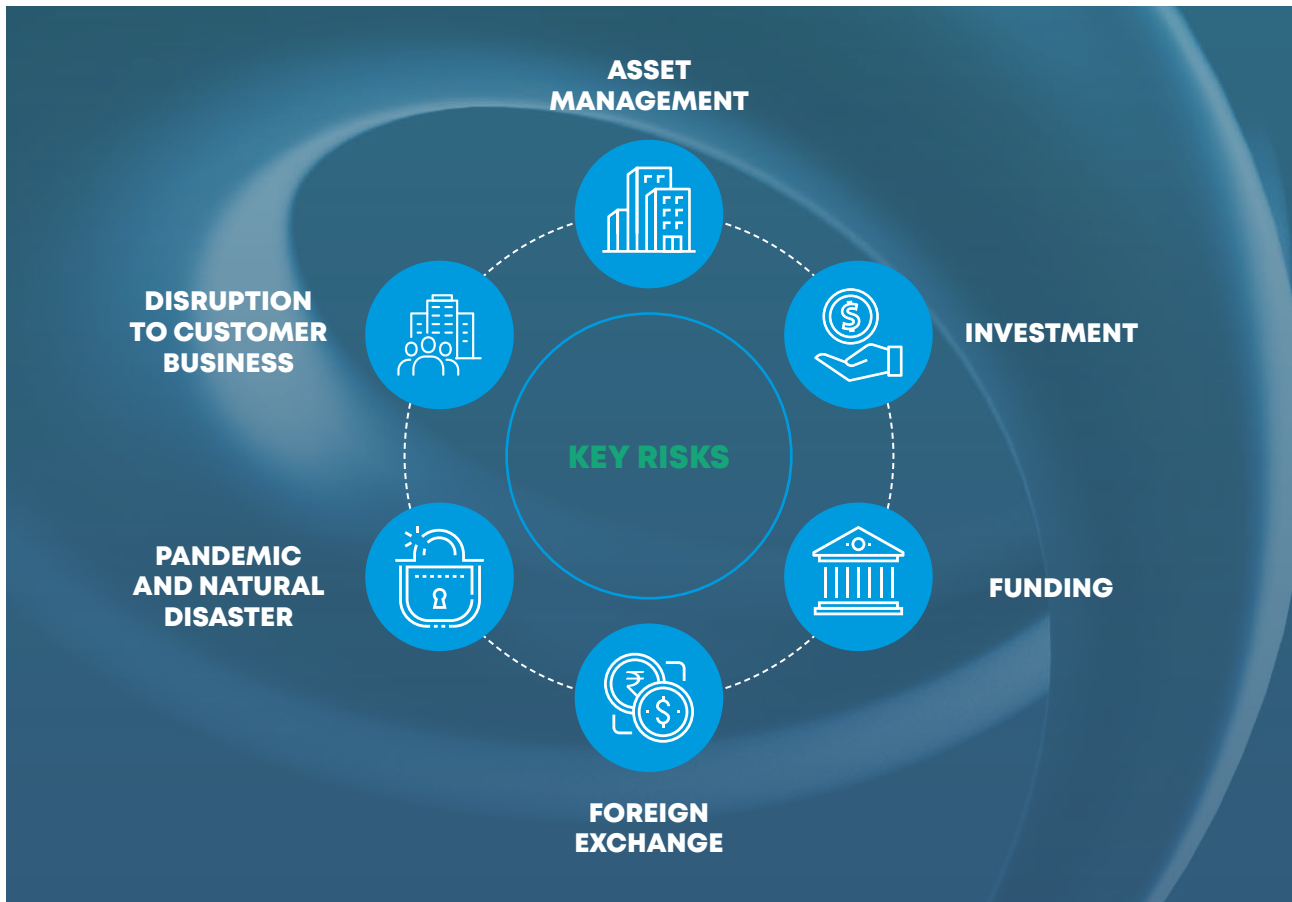
Enterprise Risk Management (ERM)

The Trustee-Manager has established a consistent Enterprise Risk Management (ERM) process that

anticipates and identifies material risks and implements key controls to mitigate those risks. These key risks are regularly monitored, assessed, and realigned in light of the constantly evolving operating and regulatory environment. Supported by the Audit and Risk Committee, the Board oversees risk management and determines the risk appetite of CLINT in line with its strategy and business plans. Material ESG findings are reported on a quarterly basis or as necessary, and recommendations are made to manage or mitigate such risks. A summary of key risks faced by the Trust can be observed in Figure 7 below.

For more details on ERM, please refer to pages 42 to 47 of this report.

Figure 7: Key Risks faced by the Trust



CLIMATE-RELATED DISCLOSURE IN LINE WITH THE TASKFORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURE (TCFD)

CLINT is making a 2022 progress update of its climate-related disclosure in line with Taskforce for Climate-related Financial Disclosure (TCFD) recommendations. CapitaLand Investment (CLI), had started to align its climate-related disclosures with TCFD recommendations in the four key areas of governance, strategy, risk management and metric and targets since 2017 and further declared its support for TCFD and its recommendations in 2019. CLI and its REITs, including CLINT, are continuing their journey to enhancing the implementation and reporting against the TCFD recommendations.

Governance

The Trustee-Manager's Board of Directors (the Board) considers sustainability issues as part of its strategic formulation, confirms the material ESG factors and oversees the management and monitoring of the material ESG factors. The Board sets the Trust's risk appetite, which determines the nature and extent of material risks that CLINT is willing to undertake to achieve its strategic and business objective. As part of the material risk issues being highlighted, climate change has been identified as critical. The Board regularly reviews climate change risks as part of its ERM Framework.

The Board is actively involved in discussions on climate-related initiatives. Taking the lead from CLI, the Board is regularly updated since 2021 on relevant performance metrics, e.g. carbon emissions performance, progress on reduction targets and green certification. The Board is also kept aware of any environmental incidents, which may include climate-related damages or disruptions. During 2022, the Board attended an information session on regulatory updates and ESG trends.

At the Trust level, CLINT works closely with CapitaLand India Business Park EHS Committee, which is championed by the CEO of the Property Manager. This EHS committee drives initiatives related to climate-related risks and opportunities, as well as broader environmental issues. The Trustee-Manager of CLINT has formed an internal Sustainability Management Committee, headed by the CEO. This committee is made up of the CFO; Head, Investments; and Head, Portfolio Management. This committee oversees the Sustainability Working Committee, co-chaired by the CFO and Head, Portfolio Management. In alignment with CLI, the CEO is responsible for CLINT's climate related targets. A key objective of the senior

management of the Trust is to further transition to a low carbon business that is aligned with climate science understanding and build a resilient and resource efficient portfolio.

CLI groupwide sustainability management comes under the purview of a CLI Board Committee, the Strategy and Sustainability Committee. The CLI Strategy and Sustainability Committee, chaired by Lead Independent Director, is responsible for overseeing sustainability strategies and goals including providing guidance to management and monitoring progress against achieving the goals of any sustainability initiatives in 2022. It is supported by the Group Sustainability Office and various work teams to drive continued progress and improvement in the areas of ESG. The work teams comprise representatives from CLI business units and corporate functions.

At the Trust level, CLINT works closely with CapitaLand India Business Park EHS Committee, which is championed by the CEO of the Property Manager. This EHS committee drives initiatives related to climate-related risks and opportunities, as well as the broader environmental issues. This governance is cascaded from the Group level to CLINT level through CLINT's Sustainability Management Committee.

Strategy

As a CLI-sponsored REIT, CLINT's identified ESG issues are aligned and adapted from CLI's list. The selection of these issues will be guided by CLI's regular review, assessment and feedback process in relation to ESG topics.

Since 2016, climate change and emissions reduction have been key ESG material issues identified as relevant and critical for CLINT. Climate change risk has been identified as a critical risk in the ERM Framework, including both physical and transition risks. Physical risks resulting from climate change can be acute or chronic in climate patterns, such as rising sea levels, violent storms, long intense heat waves, flash floods and freshwater depletion. Transition risks result from transitioning to a lower-carbon economy, which could entail potentially more stringent regulations and increased expectations from customers and stakeholders.

In line with CLI, CLINT's strategy to identify and address climate-related risks and opportunities spans all areas of its real estate life cycle, from the earliest stage of the investment process to design procurement, construction, operations and redevelopment or divestment.

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- All new investments into operational assets and development projects undergo the EHS Impact Assessment during due diligence to identify any environmental (including climate change) risks and opportunities related to the asset/project site and its surroundings. The assessment covers performance metrics such as energy efficiency, transition, physical risks, and opportunity considerations. Significant findings from the assessment would be incorporated in the investment paper submitted to the Board for approval.
- Through the implementation of CLI's Sustainable Building Guidelines (SBG), the aim is to identify and address the risks and opportunities of climate change right from the design stage. SBG also sets guidelines for buildings to be more energy efficient, e.g. setting green rating targets, specifying minimum equipment efficiency, and requiring the use of onsite renewable energy whenever possible. The local context of each project will be studied in detail, and appropriate measures will be taken into consideration concerning the adaptation to climate change.
- At the operational asset level, the CLI Environment, Health and Safety Management System (EHSMS), audited by a third-party accredited certification body to ISO 14001 standard, monitors transition risks relating to climate regulations via EHS legal registers updates and regular stakeholder engagements. Operational issues pertaining to climate change, energy and water are also identified and managed through the EHSMS to strengthen the climate resilience of the Trust's portfolio.
- The CLI 2030 Sustainability Master Plan further outlines the targets and pathways for transition to a low-carbon business aligned with climate science. Energy use and carbon reduction targets and green certification targets are set for its operational assets. Initiatives are put in place to improve its assets environmental performance, resilience and durability through system upgrades, system optimization, effective maintenance and changes to user behaviour. The continued achievement of high green building ratings and energy and water efficiency measures put in place to achieve the reduction targets would help mitigate the impact of changing weather conditions.

As part of the 2030 Sustainability Master Plan formulation, the Trust generally considers short-term to medium-term time frames to be until 2030 and long-term beyond 2030 concerning the identification of climate-related risks and opportunities.

CLINT, commenced its climate scenario analysis in 2022 for its global portfolio to understand how the identified climate-related risks and opportunities could impact future operations. This analysis considers scenarios based on the latest international and scientific developments, and the scenarios from 1.5°C to 3°C for current to long-term time frames to draw conclusions on the financial, material, physical and transition risks and validate its current strategy. It will then review its mitigation and adaptation plans, and identify opportunities, in alignment with CLI's 2030 Sustainability Master Plan, which is designed to build resilience throughout its operations and futureproof CLI Group's real estate portfolio to guard against climate change risks and avoid premature obsolescence and adopt available opportunities.

Scenario Analysis on Future Climate-related Risks and Opportunities

The climate scenario analysis for its global portfolio considered the parameters listed below:

Key physical risk scenarios	NGFS ⁸ 1.5°C Orderly NGFS 2°C Orderly NGFS 3°C Hot House World (NDC ⁹)
Key transition risk and opportunities scenarios	CRREM ¹⁰ 1.5°C CRREM 2°C NGFS 3°C SSP2 ¹¹ Hot House World
Geographical coverage	All assets* within operating regions
Time horizon	2050, 2100

* As of 31 December 2022; India assets for CLINT

8 The Network of Central Banks and Supervisors for Greening the Financial System (NGFS)

9 Nationally Determined Contributions (NDC)

10 Carbon Risk Real Estate Monitor (CRREM)

11 Shared Socioeconomic Pathways (SSP)

The analysis includes both quantitative and qualitative assessments. The quantitative estimates of potential financial impacts are being conducted based on available climate-related projections and assumptions on transition risks, such as carbon pricing, under the abovementioned scenarios. Six physical risks, including fluvial flooding, coastal flooding, extreme heat, tropical cyclones, wildfires and extreme cold and one transition risk, shifts in the carbon price, were assessed during the process. For other risk areas identified to be material but difficult to quantify, such as shifts in consumer and investor preferences, a qualitative assessment is conducted based on internal stakeholder consultation within CLI and CLINT.

Potential impacts of climate-related risks and opportunities assessed across the portfolio are identified under different scenarios. The Trust faces more exposure to physical risks under the 3°C scenario in the long term, as minimal transition policies are expected to be in place. At the same time, the development of low-carbon technology or related market changes may be slower. Under the 1.5°C and 2°C scenarios, the Trust faces higher transition risks as more stringent climate-related policies are expected to be introduced and implemented.

The insights from the quantitative and qualitative assessments of the material risks identified provide a basis for the next steps in understanding the severity of risk impacts across time horizons.

Table 1: Material physical risks assessed under the 3°C scenario

Risk type	Primary risk driver	Potential impact
Fluvial flooding	Water level rise of the river could occur due to excessive rain or snowmelt, leading to losses from assets located in high flood risk zones	<ul style="list-style-type: none"> • Increase in assets exposed to growing severity of river floods • Increase in operating costs (e.g. repair costs, business interruption)
Coastal flooding	Properties in coastal areas may be exposed to steady and continuous sea level rise	<ul style="list-style-type: none"> • Increase in assets exposed to coastal flooding • Increase in capital expenditures to construct coastal defense and flood control infrastructure
Extreme heat	Hot days and extreme heat could become more common and/or severe	<ul style="list-style-type: none"> • Increase in cooling demand leading to higher electricity costs
Tropical cyclones	Properties may face more frequent and severe tropical cyclone	<ul style="list-style-type: none"> • Higher chance of damage to specific asset locations that are tropical cyclone-prone • Increase in operating costs (e.g. business interruption)
Wildfires	Risk of wildfires could increase in extremely dry conditions, such as drought, and during high winds	<ul style="list-style-type: none"> • Increase in assets exposed to wildfires • Increase in operating costs (e.g. filtration demand, business interruption)

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Table 2: Material transition risks and opportunities under the 1.5°C scenario

Risk type	Primary risk / opportunity driver	Potential impact
Shifts in carbon prices	Carbon emissions are being priced through taxation or emissions trading schemes	<ul style="list-style-type: none"> • Increase in operational costs associated with carbon pricing
Changes in regulator expectations	Regulators with more stringent policies and regulations around climate change for the buildings industry	<ul style="list-style-type: none"> • More comprehensive disclosures expected on climate change actions and metrics
Changes in customer expectations	Consumer preferences could change and shift towards greener buildings	<ul style="list-style-type: none"> • Increase in number of tenants seeking for assets with high-performing green credentials
Shifts in electricity prices	Growing adoption of renewable energy could drive changes in electricity costs	<ul style="list-style-type: none"> • Increase in capital investment in renewable energy • Fluctuations in operating costs from electricity price variability
Use of new technologies	Investment in technologies for improving energy and water	<ul style="list-style-type: none"> • Reduced exposure to increase in carbon price, electricity price and water price • Reduction in operating costs
Increased demand for green products and services	Shift in consumer preferences and development of low emissions goods and services	<ul style="list-style-type: none"> • Increase in revenue by tapping on the green rental premium created by increased demand for sustainable buildings • Increase in asset value for low carbon buildings

As an ongoing process, the Group and the Trust will review and update, if appropriate, the processes associated with risk management in order to account for the material environmental and climate-related risks identified.

Risk Management

CLINT conducts an annual Trust-wide Risk and Control Self-Assessment (RCSA) exercise that requires supporting business units and corporate functions to identify, assess and document material risks, including ESG relevant risks, along with their key controls and mitigating measures. Material risks and associated controls are consolidated and reviewed at the Trust level before being presented to the Audit and Risk Committee and the Board.

This exercise is based on CLI's annual Group-wide RCSA exercise, review of the Risk Appetite Statement and Key Risk Indicator on Climate Change and Environmental Risk. Such climate-related risks and opportunities are identified and mitigated through CapitaLand's ERM framework and its externally certified ISO 14001 Environmental Management System.

CLINT's risk management process to address its key risks and uncertainties, including climate change, is discussed further in its Annual Report, Risk Management section on 42 to 47.

Climate-related risks and opportunities are identified and mitigated through CLI's ERM Framework (CLINT's ERM framework is aligned to CLI's framework). The Trust prioritises material ESG issues based on the likelihood and potential impact of the issues affecting business continuity and development. Notably, CLINT is cognisant of the risk posed by existing and emerging regulatory requirements concerning climate change as outlined in CLI's ERM Framework as a transitional climate change risk. Some of these risks include:

- Regulatory or compliance risk prompted by specific regulations in the countries of operation. These include but are not limited to the Environmental Risk Management Guidelines introduced by the Monetary Authority of Singapore (MAS) in 2020, requiring financial institutions and asset managers to place greater emphasis on both physical and transition environmental risks,

and the Singapore Stock Exchange mandate from December 2021 that all issuers must provide climate reporting that is aligned to the recommendations of the TCFD on a 'comply or explain' basis in their sustainability reports from the financial year commencing 2024 for the materials and buildings industry. At present, this requirement is on a 'comply or explain' basis for CLI and CLINT. Another development to keep in view is the International Sustainability Standards Board (ISSB), which aims to form a comprehensive global baseline of sustainability disclosures and a harmonised set of standards for reporting on sustainability performance.

- Market risks, including shifts in carbon and electricity prices or customer expectations, prompted by the conclusions of conferences such as COP27 in November 2022, where it was further stressed that urgent action is needed to combat global warming, and this can only be done through global action from governments and businesses.

Physical risks are observed by regularly monitoring incidents across the portfolio, such as floods. In 2020, CLI conducted a global portfolio baseline study to better understand its portfolio's physical climate risk concerning floods. This included insights into whether properties were in low lying plains, encountered flooding in previous years, had equipment located in the basement, and had exposure to other flood risks. Globally, most of CLI's properties already have flood control features/measures, such as flood barriers, sensors, water level pumps and flood emergency response plans.

Through CLI's ERM Framework and implementing the EHS Impact Assessment for all new investments, certain physical risks are prioritised, e.g. floods are highlighted in the due diligence reports and plans to integrate climate change resilience and adaptation considerations into the design, development and management of its properties. To further strengthen climate resilience to flood risk, CLINT through CLI regularly engages its operation teams to ensure flood emergency response plans are implemented across its portfolio.

Metrics and Targets

At the Group level, CLI has tracked and reduced the carbon emissions of its managed and owned operational properties, including those of CLINT, via its cloud-based Environmental Tracking System. CLI's annual Global Sustainability Report has regularly disclosed all related metrics. Since 2010, CapitaLand has been disclosing scope 1, 2 and 3 GHG emissions of its global portfolio, and the data including CLINT's has been externally assured. Please refer to the CapitaLand Investment Global Sustainability Report 2022 which will be published by May 2023.

Furthermore, in 2022, the Group had their carbon emissions reduction targets approved by the Science Based Targets initiative (SBTi) for a 1.5°C scenario. This target aligns with the Paris Agreement's goals to keep the global temperature rising by 1.5°C this century. CLI has also committed to Net Zero by 2050 for its scope 1 and 2 emissions, which includes the Trust's assets.

For information on the Trust's carbon measurement performance, please refer to page 112 of CLINT's Annual Report. CLINT takes guidance from the operational control approach defined by the GHG Protocol Corporate Standard to calculate its carbon emissions in line with CLI.

Aligned with CLI, CLINT has set sustainability and climate-related performance metrics and targets linked to the remuneration policies for members of senior management, such as the Balance Scorecard (BSC) framework for FY 2022, which included both quantitative and qualitative targets relating to climate change.

CLI has implemented a shadow internal carbon price since 2021 to account for climate-related risks and opportunities for its new investments.

CLI will continue to explore new metrics to measure climate-related risks and opportunities, which CLINT will assess and adopt where relevant to its portfolio.

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KEY ESG DATA SUMMARY

The report's ESG data summary list is aligned with SGX recommendations on a common and standardised set of ESG metrics.

Environmental Data

Metric	Unit	2020	2021	2022
Greenhouse Gas Emissions				
Scope 1 ¹²	tCO ₂ e	1,047	78	103
Scope 2	tCO ₂ e	29,156	21,430	34,869
Scope 3 comprising the following ¹³ :		NA	NA	57,499
Corporate air travel	tCO ₂ e	NA	NA	231
Tenants' energy consumption	tCO ₂ e	NA	45,572	57,293
Emission intensity, Scope 1 and Scope 2	kgCO ₂ e/m ²	27.28	19.42	29.36
Energy Consumption				
Total energy consumption	MWh	59,860	47,612	65,686
Direct fuel combustion ¹²	MWh	3,925	291	387
Natural gas	% of Total Energy	0.0	0.0	0.0
Diesel fuel	% of Total Energy	6.6	0.6	0.6
Other fuels (petrol, LPG)	% of Total Energy	0.0	0.0	0.0
Purchased energy	MWh	55,935	47,321	65,299
Electricity	% of Total Energy	93.4	99.4	99.4
Heat/steam/chilled Water	% of Total Energy	0.0	0.0	0.0
% renewable electricity ¹⁴	% of Total Energy	44.3	53.4	45.8
Energy consumption intensity	kWh/m ²	54.1	43.0	55.2
Water Consumption				
Total water consumption	m ³	489,714	281,798	463,476
Domestic water supply	%	44.5	59.7	49.8
Treated Water	%	55.5	40.3	50.2
Water consumption intensity	m ³ /m ²	0.44	0.25	0.39
Waste and Recycling				
Total waste generated ¹⁵	tonnes	543	407	720
Waste sent to landfill	tonnes	158	149	231
Recycling	tonnes	385	258	489
Waste diversion from landfill	%	70.9	63.4	67.9
Waste intensity	kg/m ²	0.49	0.37	0.60

Social Data

Metric	Unit	2020	2021	2022
Diversity (gender and age)				
Current Employees				
Male	Number, %	10 (62.5%)	10 (62.5%)	11 (64.7%)
Female	Number, %	6 (37.5%)	6 (37.5%)	6 (35.3%)
<30 years old	Number, %	3 (18.8%)	3 (18.8%)	6 (35.3%)
30 - 50 years old	Number, %	10 (62.5%)	11 (68.8%)	9 (52.9%)
>50 years old	Number, %	3 (18.8%)	2 (12.5%)	2 (11.8%)

12 Energy and emissions Data for 2020 is overstated due to the lack of separability of landlord and tenant consumption for diesel.

13 This is based on currently available data and deemed to be material and or optical scope 3 categories. CLINT aims to conduct a comprehensive review of its scope 3 emissions to better track and disclose its material scope 3 emissions.

14 Renewable energy percentage has been restated to include direct energy consumption in the denominator.

15 Waste consumption for 2021 has been restated to exclude consumption data from new acquisitions during the year.

Metric	Unit	2020	2021	2022
New Hires (gender and age)				
Male	Number, %	2 (100.0%)	0 (0.0%)	1 (33.3%)
Female	Number, %	0 (0.0%)	1 (100.0%)	2 (66.6%)
<30 years old	Number, %	2 (100.0%)	1 (100.0%)	3 (100.0%)
30 - 50 years old	Number, %	0 (0.0%)	0 (0.0%)	0 (0.0%)
>50 years old	Number, %	0 (0.0%)	0 (0.0%)	0 (0.0%)
Turnover (gender and age)¹⁶				
Male	Number, %	1 (10.0%)	0 (0.0%)	0 (0.0%)
Female	Number, %	0 (0.0%)	2 (33.3%)	2 (33.3%)
<30 years old	Number, %	1 (33.3%)	1 (33.3%)	0 (0.0%)
30 - 50 years old	Number, %	0 (0.0%)	0 (0.0%)	2 (22.2%)
>50 years old	Number, %	0 (0.0%)	1 (50.0%)	0 (0.0%)
Employment				
Total number of employees	Number	16	16	17
Total turnover	Number, %	1 (6.3%)	2 (12.5%)	2 (11.8%)
Development and Training				
Average training hours per employee	Hours/ employee	10.8	15.36	14.08
Average training hours per employee by gender				
Male	Hours/ employee	NA	13.32	15.98
Female	Hours/ employee	NA	16.54	11.46
Occupational Health and Safety				
Staff				
Fatalities	Number of cases	0	0	0
High-consequence injuries (Injuries resulting in permanent disability)	Number of cases	0	0	0
Recordable injuries	Number of cases	0	0	0
Recordable work-related ill health cases (Occupational disease)	Number of cases	0	0	0
Injury Rate	per million manhours worked	0	0	0
Lost Day Rate	per million manhours worked	0	0	0
Contractors				
Fatalities	Number of cases	0	0	0
High-consequence injuries (Injuries resulting in permanent disability)	Number of cases	0	0	0
Injury Rate*	per million manhours worked	0	0	0
Lost Day Rate*	per million manhours worked	0	0	0

* Employees of cleaning and security contractors

16 This % is against total headcount of the respective breakdown.

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Governance Data

Metric	Unit	2020	2021	2022
Board Composition				
Board independence	%	62.5	62.5	62.5
Women on the board	%	25.0	25.0	37.5
Ethical Behaviour				
Anti-corruption disclosures	Discussion and number of standards	Sustainability Report 2020 Pages 91 - 92	Sustainability Report 2021 Pages 95 - 96	Sustainability Report 2022 Pages 105 - 106
Anti-corruption training for employees	Number and %	Nil	16 persons (100%)	17 persons (100%)

GRI CONTENT INDEX

Disclosure	Reference(s) or Reasons for Omission	
General Disclosures		
GRI 2: General Disclosures 2021	The Organisation and its Reporting Practices	
2-1	Organisational details	Trust and Organisation Structure (pg 14)
2-2	Entities included in the organisation's sustainability reporting	About the Report (pg 66)
2-3	Reporting period, frequency and contact point	About The Report (pg 66)
2-4	Restatements of information	Energy and carbon emissions (pg 78 - 79) Key ESG Data Summary (pg 112)
2-5	External assurance	Sustainability Commitment (pg 68)
Activities and Workers		
2-6	Activities, value chain, and other business relations	At A Glance (pg 3-4), Strategy (pg 26-27), Portfolio (pg 50-55)
2-7	Employees	Human Capital (pg 96)
2-8	Workers who are not employees	Human Capital (pg 96)
Governance		
2-9	Governance structure and composition	Board, Top Management and Staff Commitment and Involvement (pg 69-70)
2-10	Nomination and selection of the highest governance body	Corporate Governance Report (pg 120-155)
2-11	Chair of the highest governance body	Corporate Governance Report (pg 120-155)
2-12	Role of the highest governance body in overseeing the management of impacts	Board, Top Management and Staff Commitment and Involvement (pg 69-70)
2-13	Delegation of responsibility for managing impacts	Board, Top Management and Staff Commitment and Involvement (pg 69-70)
2-14	Role of the highest governance body in sustainability reporting	Board, Top Management and Staff Commitment and Involvement (pg 69-70)
2-15	Conflicts of interest	Corporate Governance Report (pg 151)

Disclosure		Reference(s) or Reasons for Omission	
General Disclosures			
Governance			
2-16	Communication of critical concerns	Organisational Capital (pg 105) There were no critical concerns communicated to the Board in 2022	
2-17	Collective knowledge of the highest governance body	Board, Top Management and Staff Commitment and Involvement (pg 69-70)	
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report (pg 120-155)	
2-19	Remuneration policies	Corporate Governance Report (pg 120-155)	
2-20	Process to determine remuneration	Corporate Governance Report (pg 120-155)	
2-21	Annual total compensation ratio	Not disclosing due to confidentiality constraints.	
Reporting Practice			
2-22	Statement on sustainable development strategy	Board Statement (pg 66)	
2-23	Policy commitments	Sustainability Commitment (pg 67) Environmental and Manufactured Capital (pg 74-75) Organisational Capital (pg 105)	
2-24	Embedding policy commitments	Sustainability Commitment (pg 67) Environmental and Manufactured Capital (pg 74-75) Social and Relationship Capital (pg 97) Organisational Capital (pg 105)	
2-25	Processes to remediate negative impacts	Sustainability Commitment (pg 67) Environmental and Manufactured Capital (pg 74-75) Human Capital (pg 85) Organisational Capital (pg 105)	
2-26	Mechanisms for seeking advice and raising concerns	Employee Engagement (pg 92-93) Organisational Capital (pg 105)	
2-27	Compliance with laws and regulations	No significant incidents of non-compliance with laws and regulations during the reporting period.	
2-28	Membership associations	REIT Association of Singapore (REITAS) Tripartite Alliance for Fair and Progressive Employment Practices (Aligned with CLI)	
2-29	Approach to stakeholder engagement	Social and Relationship Capital (pg 97-98)	
2-30	Collective bargaining agreements	6 of the Manager's employees (35%) were covered by collective bargaining agreements in 2022.	
Material Topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Materiality (pg 71- 72)
	3-2	List of material topics	Prioritisation of ESG Material Issues (pg 72)

Sustainability Report

Disclosure		Reference(s) or Reasons for Omission	
Topic-Specific Standards			
Economic Benefit to Stakeholders			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Materiality (pg 71- 72)
GRI 201: Economic Performance 2016	201-1	Direct Economic Value generated and distributed	Financial Review (pg 58-63)
Business Ethics			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Organisational Capital (pg 105)
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Organisational Capital (pg 105)
	205-2	Communication and training about anti-corruption policies and procedures	Organisational Capital (pg 106)
	205-3	Confirmed incidents of corruption and actions taken	Organisational Capital (pg 105)
Energy Efficiency			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Environmental and Manufactured Capital (pg 74)
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Environmental and Manufactured Capital (pg 78-79)
	302-3	Energy intensity	Environmental and Manufactured Capital (pg 78-79)
	302-4	Reduction of energy consumption	Environmental and Manufactured Capital (pg 78-79)
	302-5	Reduction in energy requirements of products and services	Environmental and Manufactured Capital (pg 80-83)
Water Management			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Environmental and Manufactured Capital (pg 74)
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Environmental and Manufactured Capital (pg 83)
	303-2	Management of water-discharge related impacts	Environmental and Manufactured Capital (pg 83)
	303-3	Water withdrawal	Environmental and Manufactured Capital (pg 83)
	303-4	Water discharge	Environmental and Manufactured Capital (pg 83) Wastewater is discharged into the public sewerage system or sewage treatment plant.
	303-5	Water consumption	Environmental and Manufactured Capital (pg 83)

Disclosure		Reference(s) or Reasons for Omission	
Topic-Specific Standards			
Biodiversity			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Environmental and Manufactured Capital (pg 78)
GRI 304: Biodiversity 2016	304-1	Operational sites in or adjacent to protected areas or area of high biodiversity value	
	304-2	Significant impact on biodiversity	None during the reporting period
	304-4	IUCN Red List species and national conservation list of species affected	
Climate Change and Emissions			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Environmental and Manufactured Capital (pg 74)
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Environmental and Manufactured Capital (pg 78-79)
	305-2	Energy indirect (Scope 2) GHG emissions	Environmental and Manufactured Capital (pg 78-79)
	305-3	Other indirect (Scope 3) GHG emissions	Key ESG Data Summary (pg 112)
	305-4	GHG Emissions Intensity	Environmental and Manufactured Capital (pg 78-79)
	305-5	Reduction of GHG emissions	Environmental and Manufactured Capital (pg 80-82)
Waste Management			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Environmental and Manufactured Capital (pg 84)
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Environmental and Manufactured Capital (pg 84)
	306-2	Management of significant waste-related impacts	Environmental and Manufactured Capital (pg 84)
	306-3	Waste generated	Environmental and Manufactured Capital (pg 84)
	306-4	Waste diverted from disposal	Environmental and Manufactured Capital (pg 84) Key ESG Data Summary (pg 112)
	306-5	Waste directed to disposal	Environmental and Manufactured Capital (pg 84) Key ESG Data Summary (pg 112)
Risk Management			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Organisational Capital (pg 105)
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer	There were no substantiated complaints concerning breaches of customer privacy and losses of customer data.

Sustainability Report

Disclosure		Reference(s) or Reasons for Omission	
Topic-Specific Standards			
Supply Chain Management			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Human Capital (pg 85)
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers screened using environmental criteria	Environmental and Manufactured Capital (pg 75)
GRI 414: Supplier Social Assessment 2016	414-1	Suppliers screened using social criteria	Human Capital (pg 89)
Human Capital			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Human Capital (pg 85)
GRI 401: Employment 2016	401-1	New hires and employee turnover	Human Capital (pg 96)
	401-3	Parental leave	Human Capital (pg 90)
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice period regarding operational changes	Human Capital (pg 90)
GRI 404: Training and Education 2016	404-1	Average training hours	Human Capital (pg 90)
	404-2	Programs for upgrading employee skills	Human Capital (pg 90)
	404-3	Employees receiving regular performance and career reviews	Human Capital (pg 90)
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Human Capital (pg 85)
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Human Capital (pg 86)
	403-2	Hazard identification, risk assessment, and incident investigation	Human Capital (pg 86)
	403-3	Occupational health services	Human Capital (pg 86)
	403-4	Worker participations, consultation, and communication on occupational health and safety	Human Capital (pg 86)
	403-5	Worker training on occupational health and safety	Human Capital (pg 86)
	403-6	Promotion of worker health	Human Capital (pg 87)
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital (pg 87)
	403-8	Workers covered by an occupational health and safety management system	Human Capital (pg 86)
	403-9	Work-related injuries	Human Capital (pg 87)

Disclosure		Reference(s) or Reasons for Omission	
Topic-Specific Standards			
Diversity			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Human Capital (pg 85) Corporate Governance Report (pg 120-155)
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Human Capital (pg 96) Corporate Governance Report (pg 120-155)
Human Rights			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Human Capital (pg 85)
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective action taken	Human Capital (pg 89)
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labour and measures taken to the effective abolition of child labour	Human Capital (pg 89)
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour, and measures taken to eliminate it	Human Capital (pg 89)
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Social and Relationship Capital (pg 101-104)
GRI 414: Supplier Social Assessment 2016	414-1	Suppliers screened using social criteria	Human Capital (pg 86)
Products and Services			
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Human Capital (pg 85) Social and Relationship Capital (pg 97-98)
GRI 416: Customer Health and Safety 2016	416-1	Assessment of health and safety impacts of product and service categories	Human Capital (pg 86) Environmental and Manufactured Capital (pg 97-98)
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no non-compliance cases in the reporting period.

Corporate Governance Report

OUR ROLE

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

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

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

- (a) conducting all transactions on behalf of CLINT at arm's length and conducting business in a proper and efficient manner, using our best endeavours;
- (b) preparing annual business plans for review by the directors of the Trustee-Manager (Directors), including forecasts on revenue, net income, and capital expenditure, explanations on major variances to previous years' financial results, written commentaries on key issues and underlying assumptions on rental rates, operating expenses and any other relevant assumptions;
- (c) ensuring compliance with relevant laws and regulations, including the Listing Manual of Singapore Exchange Securities Trading Limited (SGX-ST) (Listing Manual), the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS) (including Appendix 6 of the CIS Code (Property Funds Appendix)) certain key provisions of which CLINT has voluntarily adopted, the Business Trusts Act 2004 (BTA), the Business Trusts Regulations 2005 (BTR), the Securities and Futures Act 2001 (SFA), written directions, notices, codes and other guidelines that MAS may issue from time to time, the tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of CLINT and Unitholders and the United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended) (AIFMR);
- (d) maintaining a framework of prudent and effective controls which enables financial, operational, compliance and information technology (IT) risks to be assessed and managed;
- (e) attending to all regular communications with Unitholders; and
- (f) supervising the appointed property manager which performs the day-to-day property management functions (including leasing, marketing, promotion, operations coordination, and other property management activities) for CLINT's properties.

The Trustee-Manager also considers sustainability issues (including environmental and social factors) as part of its responsibilities. CLINT's environmental sustainability and community outreach programmes are set out on pages 66 to 119 of this Annual Report.

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

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

Corporate Governance Report

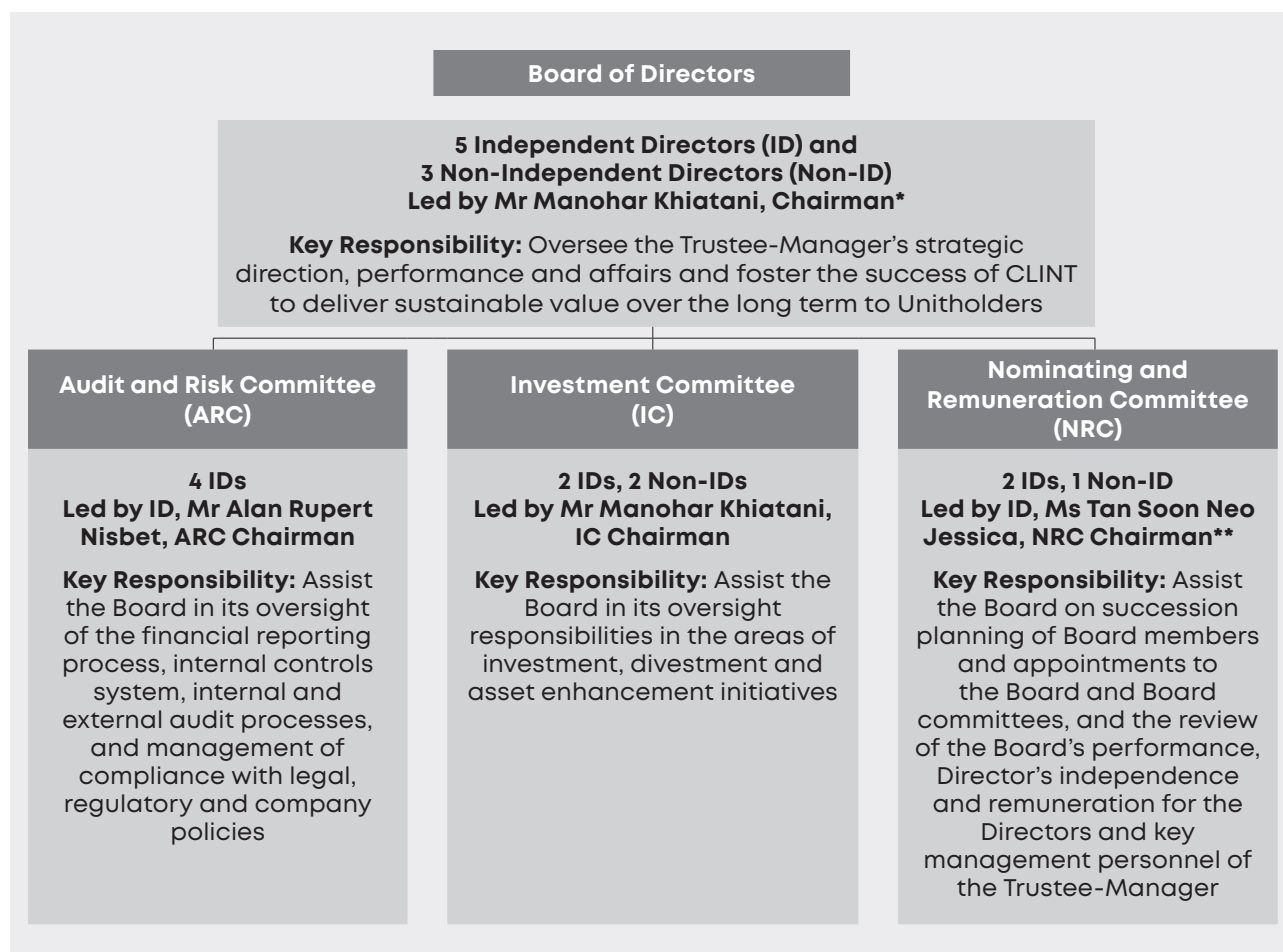
The Trustee-Manager is a wholly owned subsidiary of CapitaLand Investment Limited (CLI) which holds a significant unitholding interest in CLINT. CLI is a leading global real estate investment manager and its significant unitholding in CLINT demonstrates its commitment to CLINT and as a result, CLI's interest is aligned with that of other Unitholders. The Trustee-Manager's association with CLI provides the following benefits, among other things, to CLINT:

- (a) strategic pipelines of property assets through, among others, CLI's access to the development capabilities of and pipeline investment opportunities from CapitaLand Group Pte Ltd and its subsidiaries (excluding CLI Group);
- (b) wider and better access to banking and capital markets on favourable terms;
- (c) fund raising and treasury support; and
- (d) access to a bench of experienced management talent.

Our Corporate Governance Framework and Culture

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

Our corporate governance framework is set out below:



* Mr Manohar Khiatani was appointed as non-executive non-independent Chairman with effect from 1 January 2023 following the retirement of Mr Chiang Chie Foo as independent Chairman with effect from 31 December 2022.

** Ms Tan Soon Neo Jessica was appointed as NRC Chairman with effect from 1 January 2023 following the retirement of Mr Chiang Chie Foo as NRC Chairman with effect from 31 December 2022.

Corporate Governance Report

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

This corporate governance report (Report) sets out the corporate governance practices for the financial year (FY) 2022 with reference to the Code of Corporate Governance 2018 (Code).

Throughout FY 2022, the Trustee-Manager has complied with the principles of corporate governance laid down by the Code and also complied, substantially, with the provisions underlying the principles of the Code. Where there are deviations from the provisions of the Code, appropriate explanations are provided in this Report. This Report also sets out additional policies and practices adopted by the Trustee-Manager which are not provided for in the Code.

BOARD MATTERS

PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

Board's Duties and Responsibilities

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

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

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

- (a) material acquisitions, investments and divestments;
- (b) corporate and financial transactions that exceed the IC's limits;
- (c) issue of new units in CLINT (Units);
- (d) remuneration for the CEO and key management personnel of the Trustee-Manager for its shareholder's approval;
- (e) income distributions and other returns to Unitholders;
- (f) division of responsibilities between the Chairman and the CEO; and
- (g) matters which involve a conflict of interest for a controlling unitholder or a Director.

Corporate Governance Report

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

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

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

Directors' Development

In view of the increasingly demanding, complex and multi-dimensional role of a director, the Board recognises the importance of continual training and development for its Directors to equip them to discharge the duties and responsibilities of their office as Directors to the best of their abilities. The NRC ensures that the Trustee-Manager has in place a training and professional development framework to guide and support the Trustee-Manager towards meeting the objective of having a Board which comprises individuals who are competent and possess up-to-date knowledge and skills necessary to discharge their duties and responsibilities. Directors who have no prior experience as a director of an issuer listed on the SGX-ST will be provided with training on the roles and responsibilities of a director of a listed issuer in accordance with the listing rules of the SGX-ST. The costs of training are borne by the Trustee-Manager. The induction, training and development provided to new and existing Directors are set out below.

Upon appointment, each Director is provided with a formal letter of appointment and a copy of the Director's Manual (which includes information on a broad range of matters relating to the role, duties and responsibilities of a Director). All Directors, upon appointment, also undergo an induction programme which focuses on orientating the Director to CLINT's business, operations, strategies, organisation structure, responsibilities of CEO and other persons having executive roles with authority and responsibility for planning, directing and controlling the activities of the Trustee-Manager (key management personnel), and financial and governance practices. The induction programme may include visits to the CLINT Group's properties. Through the induction programme, the new Director also gets acquainted with members of Management which facilitates their interaction at Board meetings.

Following their appointment, the Directors are provided with opportunities for continuing education in areas such as director's duties and responsibilities, changes to regulations and accounting standards, industry-related matters and sustainability matters as prescribed by the SGX-ST at the Trustee-Manager's expense, so as to be updated on matters that affect or may enhance their performance as Directors or Board Committee members. IDs are also invited to attend professional development courses conducted by organisations such as the Singapore Institute of Directors, covering areas such as regulatory compliance to enhance their capabilities. The Directors may also contribute by recommending suitable training and development programmes to the Board. In FY 2022, the training and professional development programmes for the Directors included seminars conducted by experts and senior business leaders on board practices and issues faced by boards and the sustainability training courses prescribed by the SGX-ST conducted by providers that represent different constituencies in the capital markets. Sharing and information sessions were also organised as part of Board meetings, where guest speakers and Management team members presented key topics to the Board. The Directors also regularly receive reading materials on topical matters or subjects as well as updates on regulatory changes and their implications.

Corporate Governance Report

Board Committees

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

All the Board Committees have clear written terms of reference setting out their respective composition, authorities and duties, including reporting to the Board. Each of the Board Committees operates under delegated authority from the Board with the Board retaining overall oversight. The decisions and significant matters discussed at the respective Board Committees are reported to the Board on a periodic basis. The minutes of the Board Committee meetings which record the key deliberations and decisions taken during these meetings are also circulated to all Board members for their information. The composition of the various Board Committees is set out on page 153 and the inside back cover of this Annual Report. The duties and responsibilities of the Board Committees are set out in this Report.

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

Meetings of Board and Board Committees

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

At the scheduled meetings, the Board reviews the financial performance of CLINT and the risks relating to the assets of CLINT, examines liabilities and comments from the auditors of CLINT and ensures that measures are implemented to address any concerns.

In addition to scheduled meetings, the Board may also hold ad hoc meetings as required by business imperatives. At each scheduled Board meeting, the Board is apprised of the following:

- (a) significant matters discussed at the IC and ARC meetings which are typically scheduled before the Board meeting;
- (b) ARC's recommendation on CLINT's half year and year-end financial results following ARC's review of the same;
- (c) decisions made by Board Committees in the period under review;
- (d) updates on the CLINT Group's business and operations in the period under review, including market developments and trends, as well as business initiatives and opportunities;
- (e) business updates, budgetary and capital management related matters in the period under review, including any material variance between any projections in budget or business plans and the actual results from business activities and operations;
- (f) any risk management issues that materially impact CLINT's operations or financial performance; and
- (g) prospective transactions which Management is exploring.

Corporate Governance Report

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

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

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

As a general rule, meeting materials are provided to the Directors at least seven days prior to Board and Board Committee meetings, to allow them to prepare for the meetings and to enable discussions to focus on any questions or issues that they may have identified. Agendas for Board and Board Committee meetings are prepared in consultation with the Chairman and the chairmen of the respective Board Committees. This provides assurance that there is time to cover all relevant matters during the meetings.

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

A total of five Board meetings, four ARC meetings, five IC meetings, and three NRC meetings were held in FY 2022. The key deliberations and decisions taken at Board and Board Committee meetings are minuted.

A record of the Directors' attendance at Board and Board Committee meetings for FY 2022 is set out on page 154 of this Annual Report. The CEO who is also a Director attends all Board meetings. He also attends all Board Committee meetings on an ex officio basis. Other members of Management attend Board and Board Committee meetings as required to brief the Board and Board Committees on specific business matters.

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

The Directors also have separate and independent access to the company secretary of the Trustee-Manager (Company Secretary). The Company Secretary is legally trained and keeps himself abreast of relevant developments. He has oversight of corporate secretarial administration matters and advises the Board and Management on corporate governance matters. The Company Secretary attends Board meetings and assists the Chairman in ensuring that Board procedures are followed. The Company Secretary also facilitates the induction programme for new Directors and oversees professional development administration for the Directors. The appointment and the removal of the Company Secretary is subject to the Board's approval.

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

Corporate Governance Report

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

Board Independence

The Board has a strong independent element as five out of eight directors, are non-executive IDs. Other than the CEO who is the only executive Director on the Board, non-executive Directors make up the rest of the Board. None of the IDs have served on the Board for nine years or longer. Profiles of the Directors, their respective Board Committee memberships and roles are set out on pages 16 to 21 and page 153 of this Annual Report. Key information on the Directors is also available on CLINT's website at www.clint.com.sg (Website). The Statement on the Composition of the Board of Directors of the Trustee-Manager pursuant to Regulation 12(8) of the BTR can be found on page 168 of this Annual Report.

The non-executive Directors, led by the independent Chairman or other ID as appropriate, also meet regularly without the presence of Management. For FY 2022, the non-executive Directors, led by the independent Chairman¹ or other ID as appropriate, met regularly without the presence of Management. From 1 January 2023, as the Chairman is non-independent, such meetings will be led by the lead ID or other ID as appropriate. The chairman of such meetings provides feedback to all members of the Board, Chairman and/or Management as appropriate.

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

The NRC has conducted an annual review of the Directors' independence and has made recommendations to the Board on the Independence of Directors. The NRC assesses the independence of each Director in accordance with the requirements of the Listing Manual and the guidance in the Code, the BTR and where relevant, the recommendations set out in the Practice Guidance accompanying the Code (Practice Guidance). A Director is considered independent if he or she is independent in conduct, character and judgment and

- (a) has no relationship with the Trustee-Manager, its related corporations, its substantial shareholders, CLINT's substantial Unitholders (being Unitholders who have interests in voting Units with 5% or more of the total votes attached to all voting Units) or the Trustee-Manager's officers that could interfere, or be reasonably perceived to interfere with the exercise of his or her independent business judgment in the best interests of CLINT;
- (b) is independent from Management and business relationships with the Trustee-Manager, and independent from every substantial shareholder of the Trustee-Manager;
- (c) is not a substantial shareholder of the Trustee-Manager or a substantial unitholder of CLINT;
- (d) is not employed and has not been employed by the Trustee-Manager or CLINT or their related corporations in the current or any of the past three financial years; and
- (e) does not have an immediate family member who is employed or has been employed by the Trustee-Manager or CLINT or their related corporations in the current or any of the past three financial years and whose remuneration is or was determined by the Board; and
- (f) has not served on the Board for a continuous period of nine years or longer.

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

- (a) each ID provides information of his or her business interests and confirms, annually, that there are no relationships which interfere with the exercise of his or her independent business judgment with a view to the best interests of the Unitholders as a whole, and such information is then reviewed by the NRC; and
- (b) the NRC also reflects on the respective IDs' conduct and contributions at Board and Board Committee meetings, in particular, whether the relevant ID has exercised independent judgment in discharging his or her duties and responsibilities.

¹ On 31 December 2022, Mr Chiang Chie Foo retired as independent Chairman, and Mr Manohar Khatani was appointed as non-executive non-independent Chairman with effect from 1 January 2023.

Corporate Governance Report

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

The Board, through the NRC, has carried out the assessment of the independence of its IDs for FY 2022 and the paragraphs below set out the outcome of the assessment. Each of the IDs had recused himself or herself from the NRC's and the Board's deliberations on his or her independence.

Mr Alan Rupert Nisbet

Mr Alan Rupert Nisbet is a non-executive director of Keppel REIT Management Limited, an associated corporation of Temasek Holdings (Private) Limited (Temasek). Temasek is a controlling shareholder of the Trustee-Manager. Mr Alan Rupert Nisbet's role in this entity is non-executive in nature and he is not involved in the day-to-day conduct of the business of this entity. Therefore, the Board believes that his appointment in this entity does not bring into question his independence.

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

Mrs Zia Jaydev Mody

Mrs Zia Jaydev Mody is currently a partner of AZB & Partners, which is one of the law firms that CLINT and the Trustee-Manager engage to provide legal services in India. Mrs Zia Jaydev Mody was neither involved in the relevant professional engagements, nor the provision of such legal services, which were provided by separate teams of lawyers within AZB & Partners in the ordinary course of business, on arm's length basis and based on normal commercial terms. In addition to the above, Mrs Zia Jaydev Mody also holds other appointments as set out at page 19 of this Annual Report. However, the Board does not believe that her appointments in these entities bring into question her independence.

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

Dr Ernest Kan Yaw Kiong

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

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

Corporate Governance Report

Ms Tan Soon Neo Jessica

Ms Tan Soon Neo Jessica held the role of Director, Group Commercial at Raffles Medical Group Ltd (RMG) up till 30 June 2022. RMG and its related corporations provide healthcare insurance and medical services as part of the welfare and benefits scheme for employees of CLI and its subsidiaries (CLI Group). The provision of healthcare insurance and medical services by RMG is managed by and under CLI. The selection of RMG to provide healthcare insurance and medical services to CLI was carried out by the management of CLI, based on merit and competitive terms negotiated by the management of CLI. These services are provided in the ordinary course of business, on arm's length basis and based on normal commercial terms. Management understands that although Ms Tan Soon Neo Jessica was an executive of RMG, she was not involved in the process or approval of the engagement of RMG by the CLI Group. Ms Tan Soon Neo Jessica is also a non-executive director of SATS Ltd (SATS), an associated corporation of Temasek. Ms Tan Soon Neo Jessica's role in this entity is non-executive in nature and she is not involved in the day-to-day conduct of the business of this entity. Therefore, the Board believes that her appointment in this entity does not bring into question her independence. In addition to the above, Ms Tan Soon Neo Jessica also holds other appointments as set out at page 20 of this Annual Report. However, the Board does not believe that her appointments in these entities bring into question her independence.

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

Mrs Deborah Ong

Mrs Deborah Ong is also a non-executive director of SATS, an associated corporation of Temasek. Mrs Deborah Ong's role in this entity is non-executive in nature and she is not involved in the day-to-day conduct of the business of this entity. Therefore, the Board believes that her appointment in this entity does not bring into question her independence. In addition to the above, Mrs Deborah Ong also holds other appointments as set out at page 21 of this Annual Report. However, the Board does not believe that her appointments in these entities bring into question her independence.

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

The Board is of the view that as at the last day of FY 2022, each of Mr Nisbet, Mrs Mody, Dr Kan, Ms Tan and Mrs Ong was able to act in the best interests of all Unitholders in respect of the period in which they served as directors in FY 2022.

The remaining non-executive Directors, namely, Mr Manohar Khatani and Mr Jonathan Yap Neng Tong, are all employees of CLI Group and are not considered to be independent.

Board Diversity

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

The Board believes in diversity and values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Trustee-Manager has the opportunity to benefit from all available talent and perspectives.

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The NRC, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, identifies possible candidates that bring a diversity of background and opinion from amongst candidates with the appropriate background and industry or related expertise and experience. In identifying possible candidates and making recommendations of board appointments to the Board, the NRC considers, among others, achieving an appropriate level of diversity in the Board composition having regard to diversity factors such as age, educational, business and professional backgrounds of its members. Gender diversity is also considered an important aspect of diversity.

On 1 June 2022, Mrs Deborah Ong joined the Board. Mrs Ong brings with her significant professional expertise and experience in international public accounting and audit. Her appointment augmented and strengthened the Board's diversity in terms of gender, professional qualifications, industry knowledge, skills and experience, and enabled progress towards attaining these targets.

In its annual review of the Board's composition, the NRC expressly considers and includes a commentary to the Board on the subject of diversity in the composition of the Board, including gender diversity. In this regard, the NRC is of the opinion that the Board's current size is appropriate with an appropriate balance and diversity of skills, talents, experience and backgrounds, taking into account the objectives of the Board Diversity Policy and the CLINT Group's business needs and plans, for effective decision-making and constructive debate. In line with the Board Diversity Policy, the current Board comprises eight members who are corporate and business leaders, and are professionals with varied backgrounds, expertise and experience including in governance, real estate, accounting and finance, legal, business, management and strategic planning and 2 IDs with prior work experience in the industry in which CLINT operates. The current Board has three female members, representing 37.5% of the Board, being a 12.5% increase from FY 2021.

For further information on the Board's work in this regard, please refer to "Board Membership" under Principle 4 in this Report.

The pie charts below set out some data which is relevant to board diversity. Such data is illustrative of how the Board has already achieved a level of diversity which fulfils the objectives as envisioned by the Board Diversity Policy – which is to leverage on the diversity in the Board in business and professional experience, age and gender to enhance the Board's decision-making capability and ensure that the Trustee-Manager has the opportunity to benefit from all available talent and perspectives.



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PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and responsibilities of the Chairman and the CEO are held by separate individuals, in keeping with the principles that there be a clear division of responsibilities between the leadership of the Board and Management and that no one individual has unfettered powers of decision-making. The non-executive non-independent Chairman² is Mr Manohar Khiatani, while the CEO is Mr Sanjeev Dasgupta. They do not share any family ties. The Chairman and the CEO enjoy a positive and constructive working relationship between them, and support each other in their respective leadership roles.

The Chairman provides leadership to the Board and facilitates the conditions for the overall effectiveness of the Board, Board Committees and individual Directors. This includes setting the agenda of Board meetings, ensuring that there is sufficient information and time at meetings to address all agenda items, and promoting open and constructive engagement among the Directors as well as between the Board and the CEO on strategic issues.

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

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

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

The separation of the roles and responsibilities of the Chairman and the CEO, which is established and set out in writing by the Board, and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, facilitate robust deliberations on the CLINT Group's business activities and the exchange of ideas and views to help shape the strategic process, and ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

As the roles of the Chairman and the CEO are held by separate individuals who are not related to each other, and prior to 1 January 2023, the Chairman was an ID, recommendation under the Code for a lead ID is not applicable. Nonetheless, the Board has approved the appointment of a lead ID, on the basis that such lead ID would provide leadership for the other IDs only in the limited situation(s) where the Chairman is conflicted. This was done with a view to further strengthen the independence of the Board. The lead ID would be available to Unitholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate. The lead ID is Mr Alan Rupert Nisbet. From 1 January 2023, as the Chairman is non-independent, as lead ID, Mr Alan Rupert Nisbet's main duties are to facilitate the functioning of, and provide leadership to, the Board if circumstances arise in which the Chairman may be (or is perceived to be) in conflict, to support effective Board objectivity in business judgement and oversight, and to serve as an independent leadership contact for Unitholders, Directors and Management especially where contact through the normal channels of communication with the Chairman or Management (as the case may be) is inappropriate or inadequate.

PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board. The Board has established the NRC, which makes recommendations to the Board on all appointments to the Board and Board Committees. All Board appointments are made based on merit and approved by the Board.

² On 31 December 2022, Mr Chiang Chie Foo retired as independent Chairman, and Mr Manohar Khiatani was appointed as non-executive non-independent Chairman with effect from 1 January 2023.

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

At present, the NRC comprises three non-executive Directors, two of whom (including the Chairman of the NRC) are IDs. The three members on the NRC are Ms Tan Soon Neo Jessica (NRC Chairman), Mr Manohar Khiatani and Mr Alan Rupert Nisbet.

Under its terms of reference, the NRC's scope of duties and responsibilities in relation to nomination and appointment of directors includes:

- (a) reviewing and making recommendations to the Board on the structure, size and composition of the Board and its Board Committees and formulating, reviewing and making recommendations to the Board on succession plans for Directors, in particular, the appointment and/or replacement of the Chairman and the CEO;
- (b) reviewing and making recommendations to the Board on the process and criteria for the evaluation of the performance of the Board, Board Committees and individual Directors and the results of such evaluation annually;
- (c) considering annually and, as and when circumstances require, if a Director is independent; and
- (d) considering and making recommendations to the Board on the appointment and re-appointment of Directors (including alternate directors, if any)³.

Guided by its terms of reference, the NRC oversees the development and succession planning for the CEO. This includes overseeing the process for selection of the CEO and conducting an annual review of career development and succession matters for the CEO.

In addition to the above, the NRC and/or the Board as a whole is kept abreast of relevant matters relating to the review of succession plans relating to the key management personnel, in particular the appointment and/or replacement of the key management personnel. While this is a deviation from Provision 4.1(a) which requires the NRC to make recommendations to the Board on relevant matters relating to the review of succession plans, in particular the appointment and/or replacement of the key management personnel, the Board is of the view that such matters could be considered either by the NRC or by the Board as a whole. This is accordingly consistent with the intent of Principle 4 of the Code.

In respect of the review of training and professional development programmes for the Board and the Directors, the Board is of the view that this should be a matter involving the views and feedback of all members of the Board. Hence, any Director may contribute by recommending to the Board specific training and development programmes which he or she believes would benefit Directors or the Board as a whole. The review of training and professional development programmes for the Board and its Directors is done by the Board as a whole, and this function was not delegated to the NRC. This is consistent with the intent of Principle 4 of the Code, notwithstanding that the NRC was not specifically assigned to review and make recommendations to the Board on such matters.

The NRC's duties and responsibilities in relation to remuneration matters are set out on page 135 of this Annual Report.

Board Composition and Renewal

The Board, through the NRC, strives to ensure that there is an optimal blend in the Board of backgrounds, experience and knowledge in business and general management, expertise relevant to the CLINT Group's business and track record, and that each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interests of the CLINT Group. The Board has a few members who have prior working experience in the sector that CLINT operates in. The channels used in the search and nomination process for identifying appropriate candidates, and the channels via which the eventual appointee(s) were found, and the criteria used to identify and evaluate potential new directors, are set out below.

³ For the avoidance of doubt, there are no alternate directors appointed for FY 2022.

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There is a structured process for determining Board composition and for selecting candidates for appointment as Directors. In undertaking its duty of reviewing and making Board appointment recommendations to the Board, the NRC considers different time horizons for purposes of succession planning. The NRC evaluates the Board's competencies on a long-term basis and identifies competencies which may be further strengthened in the long-term to achieve CLINT's strategy and objectives. As part of medium-term planning, the NRC seeks to refresh the membership of the Board progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate performance. The NRC also considers contingency planning to prepare for sudden and unforeseen changes. In reviewing succession plans, the NRC has in mind CLINT's strategic priorities and the factors affecting the long-term success of CLINT. Board succession planning takes into account the need to maintain flexibility to effectively address succession planning and to ensure that the Trustee-Manager continues to attract and retain highly qualified individuals to serve on the Board. The NRC aims to maintain an optimal Board composition by considering the trends affecting CLINT, reviewing the skills needed and identifying gaps, including considering whether there is an appropriate level of diversity of thought. The process ensures that the Board composition is such that the Board has capabilities and experience which are aligned with CLINT's strategy and environment and includes the following considerations: (a) the current size of the Board Committees, composition mix and core competencies; (b) the candidate's/Director's independence, in the case of an independent director; (c) the composition requirements for the Board and relevant Board Committees (if the candidate/Director is proposed to be appointed to any Board Committee); and (d) the candidate's/Director's age, gender, track record, experience and capabilities and such other relevant factors as may be determined by the Board, which would provide an appropriate balance and contribute to the collective skill of the Board.

The NRC identifies suitable candidates for appointment to the Board. Searches for possible candidates are conducted through contacts and recommendations. In this regard, the Trustee-Manager may rely on external consultants from time to time to assist the NRC in identifying suitable candidates. Candidates are identified based on the needs of CLINT and the relevant skills required, taking into account, among other things, the requirements in the Listing Manual and the Code, as well as the factors in the Board Diversity Policy. The candidates will be assessed against a range of criteria including their demonstrated business sense and judgment, skills and expertise, and market and industry knowledge (and may include elements such as financial, sustainability or other specific competency, geographical representation and business background). The NRC also considers the qualities of the candidates, in particular whether they are aligned to the strategic directions and values of CLINT. In addition, the NRC assesses the candidates' ability to commit time to the affairs of CLINT, taking into consideration their other current appointments. The NRC uses a skills matrix to determine the skills gaps of the Board and if the expertise and experience of a candidate would complement those of the existing Board members.

The NRC also determines annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1 of the Code. Directors disclose their relationships with the Trustee-Manager, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. For further information on the Board's determination in this regard, please refer to "Board Independence" under Principle 2 in this Report.

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

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

Board Changes

Mr Chiang Chie Foo has retired from his role as ID with effect from 31 December 2022 and has also relinquished his role as Chairman and NRC Chairman on the same day. Mr Manohar Khiatani was appointed as Chairman with effect from 1 January 2023 and Ms Tan Soon Neo Jessica was appointed as NRC Chairman with effect from 1 January 2023.

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As part of the Board renewal process, Mrs Deborah Ong was appointed as an ID with effect from 1 June 2022. Mrs Deborah Ong was identified through contacts and recommendations.

Directors who are appointed to the Board from time to time either have prior experience as a director of an issuer listed on the SGX-ST or will undergo further training required under Rule 210(5)(a) of the Listing Manual. Mrs Deborah Ong who has been appointed in FY 2022 has prior experience as a director of an issuer listed on the SGX-ST and is not required to undergo further training under Rule 210(5)(a) of the Listing Manual.

In FY 2022, all Directors attended the sustainability training as prescribed by the SGX-ST. Going forward, new Directors who are appointed to the Board from time to time will either have expertise in sustainability matters or will undergo further training required under Rule 720(7) of the Listing Manual.

Review of Directors' Ability to Commit Time

In view of the responsibilities of a Director, Directors need to be able to devote sufficient time and attention to adequately perform their duties and responsibilities. The NRC conducts a review of the other appointments and commitments of each Director on an annual basis and as and when there is a change of circumstances involving a Director which may affect his or her ability to commit time to the Trustee-Manager. In this regard, Directors are required to report to the Board any changes in their other appointments.

In respect of the Directors' other appointments and commitments, no limit is set as to the number of listed company board appointments. The Board takes the view that the number of listed company directorships that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors, such as his or her individual capacity, whether he or she is in full-time employment, the nature of his or her other responsibilities and his or her near term plan regarding some of the other appointments. A Director with multiple directorships is expected to ensure that he or she can devote sufficient time and attention to the affairs of the Trustee-Manager. IDs are also required to inform the Chairman before accepting any invitation for appointment as a director of another entity's board or governing body, or offer of a full-time executive appointment or other principal commitment, to enable any concerns relating to potential conflicts of interest or the ability to commit time, to be shared and addressed.

In FY 2022, no alternate director to any Director was appointed. In keeping with the principle that a Director must be able to commit time to the affairs of the Trustee-Manager, the Board has adopted the principle that it will generally not approve the appointment of alternate directors.

Each of the Directors is required to make his or her own self-assessment and confirm that he or she is able to devote sufficient time and attention to the affairs of the Trustee-Manager. For FY 2022, all non-executive Directors had undergone the self-assessment and provided the confirmation.

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

The Directors' listed company directorships and principal commitments are disclosed on pages 16 to 21 of this Annual Report and their attendance record for FY 2022 is set out on page 154 of this Annual Report. In particular, the CEO does not serve on any listed company board outside of the CLINT Group. For FY 2022, the Directors achieved high meeting attendance rates and have contributed positively to discussions at Board and Board Committee meetings. Based on the above, the NRC has determined that each Director has been adequately carrying out his or her duties as a Director and noted that no Director has a significant number of listed directorships and principal commitments.

The Board, taking into consideration the NRC's assessment, has noted that each Director has been adequately carrying out his or her duties and responsibilities as a Director of the Company.

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PRINCIPLE 5: BOARD PERFORMANCE

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

Whilst Board performance is ultimately reflected in the long-term performance of the CLINT Group, the Board believes that engaging in a regular process of self-assessment and evaluation of Board performance provides an opportunity for the Board to reflect on its effectiveness including the quality of its decisions, and for Directors to consider their performance and contributions. It also enables the Board to identify key strengths and areas for improvement which are essential to effective stewardship and attaining success for CLINT.

The NRC recommends for the Board's approval the objective performance criteria, and the Board undertakes a process to evaluate the effectiveness of the Board as a whole and that of each of its Board Committees and individual Directors for every financial year. As part of the process, a questionnaire is sent to the Directors. The evaluation results are aggregated and reported to the NRC, and thereafter the Board. The findings are considered by the Board and follow up action is taken where necessary with a view to enhancing the effectiveness of the Board, Board Committees and individual Directors in the discharge of its and their duties and responsibilities.

As and when required, external facilitators may be appointed to assist in the evaluation process of the Board, the Board committees and the individual Directors. For FY 2022, the evaluation process was conducted without involving any external facilitator.

Board and Board Committees

The evaluation categories covered in the questionnaire include Board composition, Board processes, strategy, performance and governance, access to information and Board Committee effectiveness. As part of the questionnaire, the Board also considers whether the creation of value for Unitholders has been taken into account in the decision-making process. For FY 2022, the outcome of the evaluation was satisfactory and the Board as a whole, and each of the Board committees, received affirmative ratings across all the evaluation categories.

Individual Directors

The evaluation categories covered in the questionnaire include Director's duties, contributions, conduct and interpersonal skills, as well as strategic thinking and risk management. For FY 2022, the outcome of the evaluation was satisfactory and each of the Directors on the whole received affirmative ratings across all the evaluation categories.

The Board also recognises that contributions by an individual Director can take different forms including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside of the formal environment of Board and Board Committee meetings.

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

Board Evaluation as an Ongoing Process

The Board believes that performance evaluation should be an ongoing process and the Board achieves this by seeking feedback on a regular basis. The regular interactions between the Directors, and between the Directors and Management, also contribute to this ongoing process. Through this process of engaging its members, the Board also benefits from an understanding of shared norms between Directors which also contributes to a positive Board culture. The collective Board performance and the contributions of individual Directors are also reflected in, and evidenced by, the synergistic performance of the Board in discharging its responsibilities as a whole by providing proper guidance, diligent oversight and able leadership, and lending support to Management in steering CLINT in the appropriate direction, and guiding the long-term performance of CLINT whether under favourable or challenging market conditions.

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REMUNERATION MATTERS

PRINCIPLES 6, 7 AND 8: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES, LEVEL AND MIX OF REMUNERATION AND DISCLOSURE ON REMUNERATION

All fees and remuneration payable to Directors, key management personnel (including the CEO) and staff of the Trustee-Manager are paid by the Trustee-Manager.

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel.

The Board has established the NRC, whereby the scope of duties and responsibilities in relation to remuneration matters under its terms of reference include:

- (a) to review and determine the Board remuneration framework and the specific remuneration packages for the Directors; and
- (b) to review and determine the compensation framework and the specific remuneration packages for the CEO and other key management personnel.

While Provision 6.1(a) provides for the NRC to make recommendations to the Board on such matters, the Board is of the view that such matters are best reviewed and determined by the NRC as part of its focused scope, and have delegated the decision-making on such matters to the NRC. The NRC reports any decisions made on such matters to the Board. This is accordingly consistent with the intent of Principle 6 of the Code.

For further information on the composition of the NRC, please refer to “Board Membership” under Principle 4 in this Report.

Remuneration Policy for Key Management Personnel

The remuneration framework and policy are designed to support the implementation of the CLINT Group’s business strategy and deliver sustainable returns to Unitholders. The principles governing the remuneration policies of the Trustee-Manager’s key management personnel are as follows:

- **Business Alignment**
 - Focus on generating rental income and enhancing asset value over time to maximise returns from investments and ultimately the distributions and total returns to Unitholders
 - Provide sound and structured funding to ensure affordability and cost-effectiveness in line with performance goals
 - Enhance retention of key talents to build strong organisational capabilities
- **Motivate Right Behaviour**
 - Pay for performance – align, differentiate and balance rewards according to multiple dimensions of performance
 - Strengthen line-of-sight linking rewards and performance
- **Fair and Appropriate**
 - Ensure competitive remuneration relative to the appropriate external talent markets
 - Manage internal equity such that remuneration is viewed as fair across the CLINT Group
 - Significant and appropriate portion of pay-at-risk, taking into account risk policies of the CLINT Group, symmetrical with risk outcomes and sensitive to the risk time horizon

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- **Effective Implementation**

- Maintain rigorous corporate governance standards
- Exercise appropriate flexibility to meet strategic business needs and practical implementation considerations
- Facilitate employee understanding to maximise the value of the remuneration programmes

These remuneration policies are in line with the CLINT Group's business strategy and the executive compensation framework is based on the key principle of linking pay to performance, which is emphasised by linking total remuneration to the achievement of business and individual goals and objectives. The NRC considers all aspects of remuneration, including termination terms, to ensure they are fair, and has access to remuneration consultants for advice on remuneration matters as required

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

In FY 2022, Willis Towers Watson was appointed as independent remuneration consultant to provide professional advice on executive remuneration. Willis Towers Watson is a leading global advisory, broking and solutions company with 45,000 employees serving more than 140 countries and markets. The consultant is not related to the Trustee-Manager, its controlling shareholder, its related corporations or any of its Directors.

Remuneration of Key Management Personnel

The remuneration of key management personnel comprises fixed components, a variable cash component, unit-based components and employee benefits. A significant proportion of key management personnel's remuneration is in the form of variable compensation, awarded in a combination of short-term and long-term incentives, in keeping with the principle that the interests of the key management personnel should be aligned with those of Unitholders and that the remuneration framework should link rewards to business and individual performance and promote the long-term success of CLINT.

A. Fixed Components

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

B. Variable Cash Component

The variable cash component comprises the Balanced Scorecard Bonus Plan (BSBP) that is linked to the achievement of annual performance targets by each key management personnel.

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

- REIT/BT Performance: This includes targets relating to asset performance including net property income, occupancy and rental rates, distributions, and capital management;
- Future Growth: This includes targets relating to growing assets under management, asset enhancements and capital recycling;

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- Sustainability: This includes targets relating to talent retention, succession planning and sustainable corporate practices (including workplace safety); and
- Trustee-Manager's Financial Health: This includes targets relating to the Trustee-Manager's financial viability and efficiency.

These Balanced Scorecard targets are approved by the Board and cascaded throughout the organisation, thereby creating alignment across the CLINT Group.

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

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

C. Unit-based Components

Unit awards were granted in FY 2022 pursuant to the CapitaLand India Trust Management Pte. Ltd. (formerly known as Ascendas Property Fund Trustee Pte. Ltd.) Performance Unit Plan (PUP) and the CapitaLand India Trust Management Pte. Ltd. (formerly known as Ascendas Property Fund Trustee Pte. Ltd.) Restricted Unit Plan (RUP) (together, the Unit Plans), approved by the Board. The Trustee-Manager believes that the Unit-based components of the remuneration for key management personnel serve to align the interests of such key management personnel with that of Unitholders and CLINT's long-term growth and value. The obligation to deliver the Units is expected to be satisfied out of existing Units held by the Trustee-Manager.

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

Units vested pursuant to the Unit Plans may be clawed back in circumstances where the relevant participants are found to be involved in financial misstatement, misconduct, fraud or malfeasance, to the detriment of the CLINT Group.

CapitaLand India Trust Management Pte. Ltd. Performance Unit Plan

In FY 2022, the NRC granted awards which are conditional on targets set for a three-year performance period. A specified number of Units will only be released to the recipient at the end of the qualifying performance period, provided that minimally the threshold target is achieved.

Under the PUP, an initial number of Units (PUP baseline award) is allocated conditional on the achievement of a pre-determined target in respect of the Relative Total Unitholder Return (TUR) of the CLINT Group measured by the percentile ranking of the TUR of the CLINT Group relative to the constituent REITs in the FTSE ST REIT Index.

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

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For FY 2022, the relevant award for assessment of the performance achieved by the CLINT Group is the award granted in FY 2020 where the qualifying performance period was FY 2020 to FY 2022. Based on the NRC's assessment that the performance achieved by the CLINT Group has partially met the pre-determined performance targets for such performance period, the resulting number of Units for the finalised award released has been adjusted accordingly to reflect the performance level.

In respect of the Unit awards granted under the PUP in FY 2021 and FY 2022, the respective qualifying performance periods have not ended as at the date of this Report.

CapitalLand India Trust Management Pte. Ltd. Restricted Unit Plan

In FY 2022, the NRC granted awards which are conditional on targets set for a one-year performance period. A specified number of Units will only be released to recipients at the end of the qualifying performance period, provided that minimally the threshold targets are achieved.

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

- (a) Net property income of the CLINT Group; and
- (b) Distribution per Unit of the CLINT Group.

The above performance measures have been selected as they are the key drivers of business performance and are aligned to Unitholder value. The final number of Units to be released will depend on the CLINT Group's performance against the pre-determined targets at the end of the one-year qualifying performance period. The Units will be released in equal annual tranches over a vesting period of three years. No Units will be released if the threshold targets are not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the RUP baseline award can be delivered up to a maximum of 150% of the RUP baseline award. The NRC has the discretion to adjust the number of Units released taking into consideration other relevant qualitative and quantitative factors. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost.

In respect of the Unit awards granted under the RUP in FY 2022, based on the NRC's assessment that the performance achieved by the CLINT Group has partially met the pre-determined performance targets for FY 2022, the resulting number of Units released has been adjusted accordingly to reflect the performance level.

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

D. Employee Benefits

The benefits provided are comparable with local market practices.

Each year, the NRC evaluates the extent to which each of the key management personnel has delivered on the business and individual goals and objectives, and based on the outcome of the evaluation, approves the compensation for the key management personnel. In such evaluation, the NRC considers whether the level of remuneration is appropriate to attract, retain and motivate key management personnel to successfully manage CLINT for the long term. The CEO does not attend discussions relating to his own performance and remuneration.

Corporate Governance Report

While the disclosure of, among others, the CEO's exact remuneration amount and the names, amounts and breakdown of remuneration of at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than S\$250,000 and the aggregate of the total remuneration paid to these key management personnel would be in full compliance with Provision 8.1 of the Code, the Board has considered carefully and decided that such disclosure would not be in the interests of the Trustee-Manager or Unitholders due to:

- (1) the intense competition for talents in the REIT management industry, the Trustee-Manager is of the view that it is in the interests of Unitholders to not make such disclosures so as to minimise potential staff movement and undue disruption to its key management team;
- (2) the need to balance the confidential and commercial sensitivities associated with remuneration matters, the Trustee-Manager is of the view that such disclosures could be prejudicial to the interests of Unitholders;
- (3) the importance of retaining competent and experienced staff to ensure CLINT's stability and continuity of business operations, the Trustee-Manager is of the view that such disclosures may subject the Trustee-Manager to undue risks, including unnecessary key management turnover; and
- (4) there being no misalignment between the remuneration of the CEO and key management personnel and the interest of Unitholders. Their remuneration are not borne by CLINT as they are paid out of the fees that the Trustee-Manager receives (the quantum and basis of which have been disclosed).

The Trustee-Manager is of the view that despite this partial deviation from Provision 8.1 of the Code, the disclosures in this Annual Report are consistent with the intent of Principle 8 of the Code and would provide sufficient information and transparency to the Unitholders on the Trustee-Manager's remuneration policies and the level and mix of remuneration accorded to the key management personnel, and enable the Unitholders to understand the relationship between CLINT's performance, value creation and the remuneration of key management personnel. For the above reasons, the Trustee-Manager is of the view that the interests of Unitholders are not prejudiced by this partial deviation.

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

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

In FY 2022, no termination, retirement or post-employment benefits were granted to Directors, the CEO and other key management personnel. There was also no special retirement plan, 'golden parachute' or special severance package for any of the key management personnel.

In FY 2022, there were no employees of the Trustee-Manager who were substantial shareholders of the Trustee-Manager, substantial Unitholders of CLINT or immediate family members of a Director, the CEO, any substantial shareholder of the Trustee-Manager or any substantial Unitholder of CLINT. "Immediate family member" refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

Corporate Governance Report

Disclosures under AIFMR

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

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

The aggregate amount of remuneration awarded by the Trustee-Manager to its staff (including CEO and non-executive Directors) in respect of FY 2022 was approximately S\$4.85 million. This figure comprised of fixed pay of S\$2.96 million, variable pay of S\$1.68 million (including Units issued under the Unit Plans, where applicable) and allowances and benefits-in-kind of S\$0.21 million. There were a total of 25 beneficiaries of the remuneration described above. In respect of FY 2022, the aggregate amount of remuneration awarded by the Trustee-Manager to its senior management (who are also members of staff whose actions have a material impact on the risk profile of CLINT) was approximately S\$2.96 million, comprising six individuals having considered, among other factors, their roles and decision-making powers.

Remuneration for Non-Executive Directors

The non-executive Directors' fees are paid by the Trustee-Manager and the FY 2022 fees, together with a breakdown of the components, and are set out in the Non-Executive Directors' Remuneration Table on page 155 of this Annual Report. These non-executive Directors' fees are paid by the Trustee-Manager.

The compensation policy for non-executive Directors is based on a scale of fees divided into basic retainer fees for serving as Director and additional fees for attendance and serving on Board Committees. The non-executive Directors' fee structure and Directors' fees are reviewed and benchmarked against the REIT industry, appropriate to the level of contribution, taking into account the effort, time spent and demanding responsibilities on the part of the non-executive Directors in light of the scale, complexity and geographic scope of the CLINT Group's business. The remuneration of non-executive Directors is reviewed from time to time to ensure that it is appropriate to attract, retain and motivate the non-executive Directors to provide good stewardship of the Trustee-Manager and CLINT.

The CEO, who is an executive Director is remunerated as part of the key management personnel of the Trustee-Manager and does not receive any Director's fees for his role as an executive Director. The non-executive Directors who are employees of the CLI Group also do not receive any Directors' fees.

The non-executive Directors' fees are paid in cash (about 80%) and in the form of Units (about 20%), save that (i) a non-executive Director (not being an employee of the CLI Group) who steps down from the Board during a financial year will be paid fees fully in cash, and (ii) Mrs Zia Jaydev Mody, who is a non-resident director based outside of Singapore, will be paid fully in cash. The Trustee-Manager believes that the payment of a portion of the non-executive Directors' fees in Units will serve to align the interests of non-executive Directors with the interests of Unitholders and CLINT's long-term growth and value. The payment of non-executive Directors' fees in Units is satisfied from the Units held by the Trustee-Manager. No individual Director is involved in any decision of the NRC relating to his or her own remuneration.

In order to encourage the alignment of the interests of the non-executive Directors with the interests of Unitholders, a non-executive Director is required to hold the number of Units worth at least one year of the basic retainer fee or the total number of Units awarded, whichever is lower, at all times during his or her Board tenure.

As with previous years, an independent remuneration consultant, Willis Towers Watson, was appointed in FY 2022 to provide professional advice on Board remuneration, with a view to ensuring the fee structure remains in line with market. The framework for the non-executive Directors' fees has remained unchanged from that of the previous financial year.

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ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Trustee-Manager maintains adequate and effective systems of risk management and internal controls (including financial, operational, compliance and IT controls) to safeguard Unitholders' interests and the CLINT Group's assets.

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

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

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

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

- (a) making recommendations to the Board on the Risk Appetite Statement (RAS) for the CLINT Group and CLINT's risk profile;
- (b) assessing the adequacy and effectiveness of the risk management and internal controls systems established by the Trustee-Manager to manage risks;
- (c) overseeing the formulation, updating and maintenance of an adequate and effective risk management framework, policies and strategies for managing risks that are consistent with the CLINT Group's risk appetite and reports to the Board on its decisions on any material matters concerning the above;
- (d) making the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal controls systems can be made by the Board in the Annual Report in accordance with the Listing Manual and the Code; and
- (e) considering and advising on risk matters referred to it by the Board or Management, including reviewing and reporting to the Board on any material breaches of the RAS, any material non-compliance with the approved framework and policies and the adequacy of any proposed action.

The Trustee-Manager adopts an ERM Framework which sets out the required environmental and organisational components for managing risks in an integrated, systematic and consistent manner. The ERM Framework and related policies are reviewed annually.

Corporate Governance Report

As part of the ERM Framework, the Trustee-Manager undertakes and performs a Risk and Control Self-Assessment (RCSA) annually to identify material risks along with their mitigating measures. The adequacy and effectiveness of the systems of risk management and internal controls are reviewed regularly, and at least annually, by Management, the ARC and the Board, taking into account the best practices and guidance in the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council and the Listing Manual.

The CLINT Group's RAS, incorporating the risk limits, addresses the management of material risks faced by the CLINT Group. Alignment of the CLINT Group's risk profile to the RAS is achieved through various communication and monitoring mechanisms (including key risks indicators set for Management) put in place across the various functions within the Trustee-Manager.

More information on the Trustee-Manager's ERM Framework including the material risks identified can be found in the Risk Management section on pages 42 to 47 of this Annual Report.

The internal and external auditors conduct reviews of the adequacy and effectiveness of the material internal controls (including financial, operational, compliance and IT controls) and risk management systems. This includes testing, where practicable, material internal controls in areas managed by external service providers. Any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal and external auditors are reported to and reviewed by the ARC. In the course of their statutory audit, the external auditors had considered the risk assessment conducted by the internal auditors. Any material non-compliance and weakness in internal controls, together with the internal auditors' recommendations to address them, are reported to the ARC. The ARC also reviews the adequacy and effectiveness of the measures taken by the Trustee-Manager on the recommendations made by the internal and external auditors in this respect.

The Board has received assurance from the CEO and the Chief Financial Officer (CFO) of the Trustee-Manager that the financial records of the CLINT Group have been properly maintained and the financial statements for FY 2022 give a true and fair view of the CLINT Group's operations and finances. It has also received assurance from the CEO and the CFO, being the relevant key management personnel who have responsibility regarding various aspects of risk management and internal controls, that the systems of risk management and internal controls within the CLINT Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) that the Trustee-Manager considers relevant and material to the current business environment. The CEO and the CFO have obtained similar assurances from the respective risk and control owners.

In addition, for FY 2022, the Board received quarterly certification by Management on the integrity of financial reporting and the Board provided a negative assurance confirmation to Unitholders as required by the Listing Manual.

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

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

Based on the ERM Framework and the reviews conducted by Management and both the internal and external auditors, as well as the assurance from the CEO and the CFO, the Board is of the opinion that the systems of risk management and internal controls (including financial, operational, compliance and IT controls) are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which the CLINT Group considers relevant and material to its current business environment as at 31 December 2022. The ARC concurs with the Board in its opinion. No material weaknesses in the systems of risk management and internal controls were identified by the Board or the ARC in the review for FY 2022.

Corporate Governance Report

The Board notes that the systems of risk management and internal controls established by the Trustee-Manager provide reasonable assurance that the CLINT Group, as it strives to achieve its business objectives, will not be significantly affected by any event that can be reasonably foreseen or anticipated. However, the Board also notes that all internal controls systems contain inherent limitations and no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

PRINCIPLE 10: AUDIT COMMITTEE

At present, the ARC comprises four non-executive Directors, all of whom (including the chairman of the ARC) are IDs. The four members on the ARC are Mr Alan Rupert Nisbet (ARC Chairman), Mrs Zia Jaydev Mody, Mr Ernest Kan Yaw Kiong and Mrs Deborah Ong. The ARC Chairman is a Director other than the Chairman of the Board. The ARC Chairman and members bring with them invaluable recent and relevant managerial and professional expertise in accounting, auditing and related financial management domains.

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

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

Under its terms of reference, the ARC's scope of duties and responsibilities includes:

- (a) reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the CLINT Group and any announcements relating to the CLINT Group's financial performance;
- (b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Trustee-Manager's internal controls (including financial, operational, compliance and IT controls) and risk management systems;
- (c) reviewing the assurances from the CEO and the CFO on the financial records and financial statements;
- (d) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the independence and objectivity of the external auditors;
- (e) reviewing the adequacy, effectiveness, independence, scope and results of the internal audit and the adequacy and effectiveness of the Trustee-Manager's internal audit (IA) and compliance functions;
- (f) making recommendations to the Board on the proposals to Unitholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- (g) reviewing and approving processes to regulate transactions between an interested person (as defined in Chapter 9 of the Listing Manual and the BTA) (each, an Interested Person) and CLINT and/or its subsidiaries (Interested Person Transactions), to ensure compliance with the applicable regulations. The regulations include the requirements that Interested Person Transactions are on normal commercial terms and are not prejudicial to the interests of CLINT and its minority Unitholders. In respect of any property management agreement which is an Interested Person Transaction, the ARC also carries out reviews at appropriate intervals to satisfy itself that the Trustee-Manager has reviewed the property manager's compliance with the terms of the property management agreement and has taken remedial actions where necessary; and
- (h) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, and independently investigated, for appropriate follow up action to be taken.

Corporate Governance Report

The ARC undertook a review of the independence of the external auditors, taking into consideration, among other factors, the non-audit services provided, CLINT's relationships with the external auditors in FY 2022, as well as the processes and safeguards adopted by the Trustee-Manager and the external auditors relating to audit independence. Based on the review, the ARC is satisfied that the independence of the external auditors is not affected by the provision of the non-audit services. The external auditors have also provided confirmation of their independence to the ARC. The total audit and non-audit fees for FY 2022 paid or payable to external auditors amounted to S\$743,000, comprising audit fees of S\$424,000 and non-audit fees of S\$319,000. On the basis of the above, the Board has concurred with the ARC's recommendation for the re-appointment of Deloitte & Touche LLP as the independent external auditors of CLINT and its subsidiaries at the coming AGM of the Unitholders.

Deloitte & Touche LLP was appointed as the external auditors for CLINT and its Singapore incorporated subsidiaries and significant associated companies. Unitholders' approval was obtained for their appointment at the last AGM on 14 April 2022. Deloitte & Touche LLP will hold office until the conclusion of the upcoming AGM. The ARC has assessed the performance of the external auditors based on factors such as the performance and quality of their audit and the independence of the auditor.

The ARC holds at least four scheduled meetings in a year and met four times in FY 2022. At all scheduled ARC meetings in FY 2022, the CEO and the CFO were in attendance. With effect from FY 2020, CLINT had adopted the practice of announcing its financial statements on a half-yearly basis and had been providing quarterly business updates in between such announcements or as and when necessary. Accordingly, during the ARC meetings in July 2022 and February 2023, among other things, the ARC reviewed the half-yearly financial statements including the relevance and consistency of the accounting principles adopted and any significant financial reporting issues and recommended the half-yearly financial statements and corresponding announcements to the Board for approval. During the ARC meetings in April and October 2022 the ARC reviewed, among other things, the quarterly business and financial updates presented by Management. Such business updates contain, among other things, information on the CLINT Group's key operating and financial metrics.

In FY 2022, the ARC also reviewed and assessed the adequacy and effectiveness of the internal controls and risk management systems established by the Trustee-Manager to manage risks, taking into consideration the outcome of reviews conducted by Management and both the internal and external auditors, as well as the assurances from the CEO and the CFO.

The ARC also meets with the external auditors, and with the internal auditors, without the presence of Management, at least once a year. In FY 2022, the ARC met with the external auditors and internal auditors once, without Management's presence, to discuss the reasonableness of the financial reporting process, the internal controls and risk management systems, and the significant comments and recommendations by the auditors.

Where relevant, the ARC makes reference to the best practices and guidance for audit committees in Singapore including practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority of Singapore.

Key Audit Matters

In the review of the financial statements of the CLINT Group for FY 2022, the ARC has discussed with Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The ARC reviewed, amongst other matters, the following key audit matters, as reported by the external auditors for FY 2022.

Corporate Governance Report

Key audit matters	How these issues were addressed by the ARC
1. Valuation of investment properties and investment properties under construction	ARC has reviewed the appropriateness of the valuation methodologies as well as the other key estimates and assumptions adopted in the valuation prepared by the independent professional valuers, CBRE South Asia Private Limited. ARC also assessed the reasonableness of the movements in fair value of the properties by taking into consideration the underlying assumption used, which includes discount rates and capitalisation rates, where applicable. A combination of global inflationary pressures, higher interest rates and currency movements have heightened the potential for greater volatility in the property market over the short-to medium terms. The valuation of investment properties and investment properties under construction may be subject to the heightened market volatility.
2. Taxation matters	ARC has reviewed the status of the open tax issues with uncertain positions and adequacy of the CLINT Group's accounting treatment and disclosures in the financial statements, inclusive of contingent liabilities disclosure and the deferred tax together with the assumptions used.

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

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

Internal Audit

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

The ARC monitors and assesses the role and effectiveness of the IA function through reviewing the IA process from time to time and may make recommendations to the Board for any changes to the IA process. The ARC also reviews to ensure that the IA function is adequately resourced and skilled in line with the nature, size and complexity of the Trustee-Manager and CLINT's business, and that an adequate budget is allocated to the IA function to assure its proper functioning. In FY 2022, the ARC has carried out a review of the IA function and is satisfied that the IA function performed by CLI IA is adequately resourced, effective and independent.

CLI IA plans its IA schedules in consultation with, but independently of, Management and its plan is submitted to the ARC for approval prior to the beginning of each year. CLI IA adopts a risk-based approach in formulating the audit plan that aligns its activities to the key strategies and risks across the CLINT Group's business. The reviews performed by CLI IA are focused on assisting the Board in promoting sound risk management, robust internal controls and good corporate governance, through assessing the design and effectiveness of operating controls that govern key business processes and risks identified in the overall risk framework of the CLINT Group. CLI IA also reviews compliance with the CLINT Group's policies, procedures and regulatory responsibilities, performed in the context of financial and operational, revenue assurance and information system reviews.

Corporate Governance Report

During FY 2022, the ARC reviewed the results of audits performed by CLI IA based on the approved audit plan. All significant findings are reported to Management and the ARC. CLI IA also reviews the status of implementation of the audit recommendations and whether there are any past due items, and reports the same to Management and the ARC.

The ARC also reviewed reports on whistle-blower complaints reviewed by CLI IA to ensure independent and thorough investigation and adequate follow up. The ARC also received reports on Interested Person Transactions reviewed by CLI IA that they were on normal commercial terms and are not prejudicial to the interests of CLINT and its minority Unitholders.

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

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

UNITHOLDER RIGHTS AND ENGAGEMENT

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

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

General Meetings

In view of the COVID-19 pandemic, the previous general meeting held on 14 April 2022 (AGM 2022) was held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (COVID-19 Temporary Measures Order) and in accordance with the checklist jointly issued by ACRA, MAS and Singapore Exchange Regulation, which gave guidance to listed and non-listed entities on the conduct of general meetings amid the evolving COVID-19 situation (Checklist).

The alternative arrangements put in place for the conduct of the AGM 2022 included attendance at the AGM 2022 via electronic means under which Unitholders could observe and/or listen to the AGM 2022 proceedings via live audio-visual webcast or live audio-only stream, submission of questions in advance of or live at the AGM 2022, addressing of substantial and relevant questions in advance of or live at the AGM 2022 and voting at the AGM 2022 (i) live by the Unitholders or their duly appointed proxy(ies) (other than the chairman of the meeting) via electronic means; or (ii) by appointing the chairman of the meeting as proxy to vote on their behalf. All Directors (including the CEO who is also a Director) attended the AGM 2022 either in-person or via electronic means. A record of the Directors attendance at the AGM 2022 can be found in the record of their attendance at general meeting(s) and Board and Board Committee meetings for FY 2022 set out on page 154 of this Annual Report.

The upcoming AGM to be held on 17 April 2023 (AGM 2023) will be held in a wholly physical format pursuant to the COVID-19 Temporary Measures Order and in accordance with the Checklist. A live web-cast of the AGM 2023 will also be made available for those Unitholders who may be unable to attend the AGM 2023 in-person. Unitholders will be entitled to submit questions in advance of and/or live at the AGM 2023 itself and vote at the AGM 2023 by themselves or their duly appointed proxy(ies) (other than the chairman of the meeting) or by appointing the chairman of the meeting as their proxy to vote on their behalf, to facilitate interaction between the Board, Management and Unitholders. Further details on the arrangements put in place for the conduct of the AGM 2023 are set out in the Trustee-Manager's notice of AGM dated 24 March 2023.

Corporate Governance Report

The description below sets out CLINT's usual practice for Unitholders' meetings which are not convened and held pursuant to the COVID-19 Temporary Measures Order.

Unitholders are entitled to attend general meetings and are accorded the opportunity to participate effectively and vote at general meetings (including through the appointment of up to two proxies, if they are unable to attend in person or in the case of a corporate Unitholder, through its appointed representative). Unitholders such as nominee companies which provide custodial services for securities are not constrained by the two-proxy limitation, and are able to appoint more than two proxies to attend, speak and vote at general meetings of CLINT.

CLINT supports the principle of encouraging Unitholder participation and voting at general meetings. CLINT's Annual Report is provided to Unitholders within 120 days from the end of CLINT's financial year. Unitholders may download the Annual Report (printed copies of the Annual Report are available upon request) and notice(s) of general meeting from the Website. More than the legally required notice period for general meetings is generally provided. The notice(s) of general meeting are also available on SGXNet. The rationale and explanation for each agenda item which requires Unitholders' approval at a general meeting are provided in the notice of the general meeting or in the accompanying circular (if any) issued to Unitholders in respect of the matter(s) for approval at such general meeting. This enables Unitholders to exercise their votes on an informed basis. To safeguard the Unitholders' interests and rights, a separate resolution is proposed for each substantially separate matter to be approved at a general meeting, unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the reasons and material implications will be explained in the notice of general meeting.

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

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

To ensure transparency in the voting process and better reflect Unitholders' interests, CLINT conducts electronic poll voting for all the resolutions proposed at general meetings. One Unit is entitled to one vote. Voting procedures and the rules governing general meetings are explained and vote tabulations are disclosed at the general meetings. An independent scrutineer is also appointed to validate the vote tabulation procedures. Votes cast, for or against and the respective percentages, on each resolution are tallied and displayed 'live' on-screen to Unitholders after each resolution is voted on at the general meetings. The total number of votes cast for or against each resolution and the respective percentages are also announced on SGXNet after the general meetings.

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

Corporate Governance Report

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

Distribution Policy

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

Timely Disclosure of Information

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

For FY 2022, the Trustee-Manager provided Unitholders with half year and full year financial statements within the relevant periods prescribed by the Listing Manual. These half year and full year financial statements were reviewed and approved by the Board prior to release to Unitholders by announcement on SGXNet. The release of half year and full year financial statements were accompanied by news releases issued to the media and which were also made available on SGXNet. In presenting the half year and full year financial statements to Unitholders, the Board sought to provide Unitholders with a balanced, clear and comprehensible assessment of CLINT and the CLINT Group's performance, position and prospects.

In addition to the announcements of half year and full year financial statements in FY 2022, in keeping with the Trustee-Manager's commitment to provide its Unitholders with information promptly, the Trustee-Manager also provided Unitholders, on a voluntary basis, with quarterly business updates in between the announcement of half-yearly financial statements. Such business updates contain, among other things, information on the CLINT Group's key operating and financial metrics.

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

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

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

Investor Relations

Investor relations matters are handled by the Management. The Management meets with analysts and institutional investors regularly to promote CLINT, communicate its business performance and developments, and gather views and feedback. The Management participates in local and overseas conferences organised by securities houses and banks. The Management also addresses queries raised by retail and institutional Unitholders via phone calls, emails or the Website. Such regular interactions allow the Management to consider feedback from the investment community before formulating capital management strategies and Unitholders' resolutions. The Trustee-Manager maintains the Website which contains information on CLINT including but not limited to its prospectus, current and past announcements and news releases, financial statements, investor presentations and Annual Reports.

Corporate Governance Report

The Trustee-Manager actively engages with Unitholders with a view to solicit and understand their views, and has put in place an Investor Relations Policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communications with Unitholders.

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

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

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

Managing Stakeholder Relationships

The Board's role includes considering sustainability as part of its strategic formulation. The Trustee-Manager adopts an inclusive approach for CLINT by considering and balancing the needs and interests of material stakeholders, as part of the overall strategy to ensure that the best interests of CLINT are served. The Trustee-Manager is committed to sustainability and incorporates the key principles of environmental and social responsibility, and corporate governance in CLINT's business strategies and operations. The Trustee-Manager has arrangements in place to identify and engage with material stakeholder groups from time to time to gather feedback on the sustainability issues most important to them and to manage CLINT's relationships with such groups. Such arrangements include maintaining the Website, which is kept updated with current information to facilitate communication and engagement with CLINT's stakeholders. More details of CLINT's sustainability strategy and stakeholder engagement can be found on pages 97 to 104 of this Annual Report.

ADDITIONAL INFORMATION

Investment Committee

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

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

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

For FY 2022, the IC has met to approve the business plans of CLINT for the upcoming financial year.

Dealings with Interested Persons

Review Procedures for Interested Person Transactions

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

Corporate Governance Report

In particular, the procedures in place include the following:

Interested Person Transactions ¹	Approving Authority, Procedures and Disclosure
Below S\$100,000 per transaction	<ul style="list-style-type: none"> • Management
S\$100,000 and above per transaction (which singly, or when aggregated with other transactions ² with the same Interested Person in the same financial year is less than 3.0% of CLINT's net tangible assets)	<ul style="list-style-type: none"> • Management • ARC
Transaction ² which: (a) is equal to or exceeds 3.0% of CLINT's net tangible assets but below 5.0% of CLINT's net tangible assets; or (b) when aggregated with other transactions ² with the same Interested Person in the same financial year is equal to or exceeds 3.0% of CLINT's net tangible assets but below 5.0% of CLINT's net tangible assets	<ul style="list-style-type: none"> • Management • ARC • Immediate announcement
Transaction ² which: (a) is equal to or exceeds 5.0% of CLINT's net tangible assets; or (b) when aggregated with other transactions ^{2,3} with the same Interested Person in the same financial year is equal to or exceeds 5.0% of CLINT's net tangible assets	<ul style="list-style-type: none"> • Management • ARC • Immediate announcement • Unitholders³

Notes:

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

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

Role of the Audit and Risk Committee for Interested Person Transactions

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

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

Details of all Interested Person Transactions (equal to or exceeding S\$100,000 each in value) entered into by CLINT in FY 2022 are disclosed on pages 164 to 165 of this Annual Report.

Corporate Governance Report

Dealing with Conflicts of Interest

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

- (a) the Trustee-Manager is a dedicated trustee-manager to CLINT and will not manage any other business trust or be involved in any other real property business;
- (b) all resolutions at meetings of the Board in relation to matters concerning CLINT must be decided by a majority vote of the Directors, including at least one ID;
- (c) in respect of matters in which CLI and/or its subsidiaries have an interest, whether direct or indirect, any nominees appointed by CLI and/or its subsidiaries to the Board will abstain from voting. In such matters, the quorum must comprise a majority of IDs and shall exclude such nominee Directors of CLI and/or its subsidiaries;
- (d) in respect of matters in which a Director or his or her associates have an interest, whether direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and shall exclude such interested Director(s); and
- (e) the Board shall comprise:
 - (i) at least a majority of Directors who are independent from management and business relationships with the Trustee-Manager;
 - (ii) at least one-third of Directors who are independent from management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and
 - (iii) at least a majority of Directors who are independent from any single substantial shareholder of the Trustee-Manager.

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

Dealings in Securities

The Trustee-Manager has adopted a securities dealing policy for the officers and employees which applies the best practice recommendations in the Listing Manual. Under this policy, Directors and employees of the Trustee-Manager as well as certain relevant executives of the CLI Group (together, the Relevant Persons) are required to refrain from dealing in CLINT's securities (i) while in possession of material unpublished price-sensitive information, and (ii) during the one-month period immediately preceding, and up to the time of each announcement of CLINT's half-year and full year financial statements. Prior to the commencement of each relevant black-out period, an email would be sent to all the Relevant Persons to inform them of the duration of the black-out period. The Trustee-Manager also does not deal in CLINT's securities during the same black-out period.

In addition, Directors and certain employees identified as "Key Insiders" are also prohibited from dealing in the securities of CLINT at all other times, except during the open trading window (being the one calendar month commencing from the relevant date of announcement of CLINT's results), provided they are not in possession of undisclosed material or price-sensitive information. Employees of the Trustee-Manager are also required to give a pre-trading notification to the CEO and the Compliance department before any dealing in CLINT's securities.

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

Corporate Governance Report

Directors and employees of the Trustee-Manager are also required to refrain from dealing in CLINT's securities if they are in possession of unpublished price-sensitive information of CLINT arising from their appointment as Directors and/or in the course of performing their duties. As and when appropriate, they would be issued an advisory to refrain from dealing in CLINT's securities.

Under this policy, Directors and employees of the Trustee-Manager are also discouraged from trading on short-term or speculative considerations. They are also prohibited from using any information with respect to other companies or entities obtained in the course of their employment in connection with securities transactions of such companies or entities.

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

Dealings by the Directors are disclosed in accordance with the requirements in the SFA and the Listing Manual. In FY 2022, based on the information available to the Trustee-Manager, save as disclosed in accordance with such requirements and other than the awards of Units in part payment of Directors' fees, there were no dealings by the Directors in CLINT's securities.

Code of Business Conduct

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

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

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

First, the Trustee-Manager offers fair compensation packages, based on practices of pay-for-performance and promotion based on merit to its employees. The Trustee-Manager also provides various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures its employees may face.

Second, clearly documented policies and work procedures incorporate internal controls which ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the efficacy of these internal controls.

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

Fraud, Bribery and Corruption Risk Management Policy

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

The Trustee-Manager's employees adhere to CLI's Fraud, Bribery and Corruption Risk Management Policy (FBC Risk Management Policy). The FBC Risk Management Policy reiterates the strong stance against fraud, bribery and corruption, and sets the overarching approach and standards in managing fraud, bribery and corruption risks in an integrated, systematic and consistent manner. The Trustee-Manager's stance against bribery and corruption is also reiterated by Management during its regular staff communication sessions.

Corporate Governance Report

Whistle-Blowing Policy

The Trustee-Manager has in place a whistle-blowing policy which sets out the procedures for the Trustee-Manager's employees and parties who have dealings with the Trustee-Manager to make a report to the Trustee-Manager on misconduct or wrongdoings relating to the Trustee-Manager and/or its officers. Procedures are put in place to provide such employees and parties with well defined, accessible and trusted channels to report suspected fraud, corruption, dishonest practices or other improprieties in the workplace, and for the independent investigation of any reported incidents and appropriate follow up action. The Trustee-Manager ensures that the identity of the whistle-blower is kept confidential. The objective of the whistle-blowing policy is to encourage the reporting of such matters so that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and, to the extent possible, be protected from reprisal. The Trustee-Manager is committed to ensuring protection of the whistle-blower against detrimental or unfair treatment. The ARC is designated as an independent function to investigate all whistle-blowing reports made in good faith at its scheduled meetings. Independent, thorough investigation and appropriate follow up actions are taken. The outcome of each investigation is reported to the ARC, which is responsible for oversight and monitoring of whistleblowing. All employees of the Trustee-Manager are informed of this policy which is made available on CLI Group's intranet.

Business Continuity Management

The Trustee-Manager has implemented a Business Continuity Management (BCM) programme to minimise the impact of adverse business interruptions or unforeseen events on the CLINT Group's operations and also has in place a Business Continuity Plan (BCP). Under the BCP, Management has identified the critical business functions, processes and resources. Periodic desktop exercises and drills, simulating different scenarios, are carried out to stress-test the effectiveness of these processes, procedures and escalation protocols. This holistic approach under the BCP serves to ensure organisational and staff preparedness and readiness to deal with adverse business disruptions such as acts of terrorism, cyber-attacks, data breaches and epidemics. This approach aims to minimise financial loss to CLINT, allow the Trustee-Manager to continue to function as the trustee- manager of CLINT and mitigate any negative effects that the disruptions could have on the Trustee-Manager's reputation, operations and ability to remain in compliance with relevant laws and regulations.

Composition of Board Committees in FY 2022

Board Members	Audit and Risk Committee	Investment Committee	Nominating and Remuneration Committee
Mr Chiang Chie Foo	–	–	C
Mr Manohar Khiatani	–	C	M
Mr Sanjeev Dasgupta	–	–	–
Mr Alan Rupert Nisbet	C	–	M
Mrs Zia Jaydev Mody	M	M	–
Dr Ernest Kan Yaw Kiong	M	–	–
Ms Tan Soon Neo Jessica	–	M	–
Mrs Deborah Ong	M	–	–
Mr Jonathan Yap Neng Tong	–	M	–

Denotes: C – Chairman M – Member

Corporate Governance Report

Attendance Record of Meetings of Unitholders, Board and Board Committees in FY 2022¹

	Board ²	Audit and Risk Committee	Nominating and Remuneration Committee	Investment Committee	AGM ⁵
No. of Meetings Held	5	4	3	5	1
Board Members					
Mr Chiang Chie Foo ³	100%	–	100%	–	–
Mr Manohar Khiatani	100%	–	100%	100%	100%
Mr Sanjeev Dasgupta	100%	–	–	–	100%
Mr Alan Rupert Nisbet	100%	100%	100%	–	100%
Mrs Zia Jaydev Mody	80%	100%	–	80%	100%
Dr Ernest Kan Yaw Kiong	100%	100%	–	–	100%
Ms Tan Soon Neo Jessica	100%	–	–	100%	100%
Mrs Deborah Ong ⁴	100%	100%	–	–	N.A.
Mr Jonathan Yap Neng Tong	100%	–	–	100%	100%

N.A.: Not Applicable

Notes:

- All Directors are required to attend general meetings and Board and/or Board Committee meetings called, in person or via audio or video conference, unless required to recuse. Attendance is marked against the general meetings and Board and Board Committee meetings each Director is required to attend, and the percentage computed accordingly.
- Includes a Board Strategy, Business Plan and Budget Meeting.
- Retired as a Director, Chairman of the Board and Chairman of the NRC on 31 December 2022.
- Appointed as a Director and a member of the ARC on 1 June 2022 (which was after the AGM).
- Provision 11.3 of the Code requires all directors to attend general meetings of Unitholders. For FY 2022, Mr Chiang Chie Foo (who was on temporary leave of absence following a medical procedure) was unable to attend the AGM 2022. The Trustee-Manager is of the view that despite the deviation from Provision 11.3 of the Code, Unitholders nevertheless have opportunities to communicate their views on matters affecting CLINT through the rest of the Board in attendance. Additionally, a Director not in attendance will be updated on the proceedings of the annual general meeting through the minutes and recording of the annual general meeting. This is accordingly consistent with the intent of Principle 11.

CEO's Remuneration Table for FY 2022

	Components of Remuneration			
	Salary inclusive of employer's CPF	Bonus and Other Benefits inclusive of employer's CPF ¹	Award of Units ²	Total
CEO				
Sanjeev Dasgupta	39%	30%	31%	100%

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

Notes:

- The amounts disclosed include bonuses earned which have been accrued for in FY 2022.
- The proportion of value of the Unit awards is based on the fair value of the Units comprised in the contingent awards under the CapitaLand India Trust Management Pte. Ltd. (formerly known as Ascendas Property Fund Trustee Pte. Ltd.) Restricted Unit Plan (RUP) and the CapitaLand India Trust Management Pte. Ltd. (formerly known as Ascendas Property Fund Trustee Pte. Ltd.) Performance Unit Plan (PUP) at the time of grant in FY 2022. The final number of Units released under the contingent awards of Units for the RUP and PUP will depend on the achievement of pre-determined targets and subject to the respective vesting period under the RUP and PUP.

Corporate Governance Report

Non-Executive Directors' Remuneration Table for FY 2022

	Components of Directors' fees ^{1,2} (S\$)		Total
	Cash component ²	Unit component ²	
Non-Executive Directors			
Mr Chiang Chie Foo ³	140,700	–	140,700
Mr Alan Rupert Nisbet	110,560	27,640	138,200
Mrs Zia Jaydev Mody ⁴	106,300	–	106,300
Dr Ernest Kan Yaw Kiong	66,240	16,560	82,800
Ms Tan Soon Neo Jessica	64,080	16,020	80,100
Mrs Deborah Ong ⁵	39,289	9,822	49,111
Mr Manohar Khatani ⁶	N.A.	N.A.	N.A.
Mr Jonathan Yap Neng Tong ⁶	N.A.	N.A.	N.A.

Aggregate of Remuneration for Non-Executive Directors: S\$597,211

N.A.: Not Applicable

Notes:

- Inclusive of attendance fees of (a) S\$2,000 (local meeting) and S\$5,000 (overseas meeting) per meeting attendance in person, (b) S\$1,700 per meeting attendance via audio or video conference, (c) S\$1,000 per meeting attendance at project or verification meetings, and (d) S\$500 per meeting attendance via audio or video conference at project and verification meetings. Attendance fees at project and verification meetings are subject to a maximum of S\$10,000 per Director per annum.
- Each non-executive Director (save for non-executive Directors who are employees of CLI Group, non-executive Directors who have retired and/or non-resident Directors based outside Singapore) shall receive about 20% of his or her Director's fees in the form of Units (subject to truncation adjustments). The remainder of the Director's fees shall be paid in cash. No new Units will be issued for this purpose as these Units will be paid by the Trustee-Manager from the Units that it holds.
- Mr Chiang Chie Foo retired from the Board on 31 December 2022. Upon his retirement as Director, Mr Chiang ceased to be the Chairman of the Board and Chairman of the NRC. Fees are paid fully in cash.
- Mrs Zia Jaydev Mody, who is a non-resident director based outside of Singapore, will be paid fully in cash.
- Mrs Deborah Ong was appointed as a Director and a member of the ARC on 1 June 2022.
- Non-executive Directors who are employees of CLI Group do not receive Directors' fees.

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Trustee-Manager's Statement

For the financial year ended 31 December 2022

The Directors of CapitaLand India Trust Management Pte. Ltd. (formerly known as Ascendas Property Fund Trustee Pte. Ltd.), the trustee-manager of CapitaLand India Trust (formerly known as Ascendas India Trust) (the "Trustee-Manager"), are pleased to present their statement to the Unitholders of CapitaLand 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 2022, 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.

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 174 to 240 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 2022, and of the consolidated financial performance, consolidated changes in unitholders' funds and consolidated cash flows of the Group, for the financial year ended on that date in accordance with the provisions of the Business Trusts Act 2004 and Singapore Financial Reporting Standards (International); 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 Acts 2004, the Directors of the Trustee-Manager 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 2022 are not detrimental to the interests of all the Unitholders of the Trust as a whole based on the circumstances at the time of the relevant transactions; and
- (iii) the Board of Directors of the Trustee-Manager is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the Unitholders of the Trust as a whole.

DIRECTORS

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

Mr Manohar Khatani (Chairman)
Mr Sanjeev Dasgupta
Mr Alan Rupert Nisbet
Mrs Zia Jaydev Mody
Dr Ernest Kan Yaw Kiong
Ms Tan Soon Neo Jessica
Mr Jonathan Yap Neng Tong
Ms Deborah Tan Yang Sock (Appointed on 1 June 2022)

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.

Trustee-Manager's Statement

For the financial year ended 31 December 2022

DIRECTORS' INTERESTS IN UNITS AND DEBENTURES

According to the register of Directors' unitholdings and kept by the Trustee-Manager for the purposes of Sections 13 and 76 of the Singapore Business Trusts Act 2004, only those Directors as shown below hold units in or debentures, of the Trust:

Name of Director	Units held as at			
	1 January 2022 or date of appointment, if later		31 December 2022	
	Direct	Deemed	Direct	Deemed
Alan Rupert Nisbet	–	11,880	–	31,800
Ernest Kan Yaw Kiong	939	–	14,840	–
Tan Soon Neo Jessica	1,067	–	13,370	–
Jonathan Yap Neng Tong	500,000	150,000	500,000	150,000
Sanjeev Dasgupta	130,979	–	617,525	–
Contingent award of Performance units¹ to be delivered after 2021				
Sanjeev Dasgupta (143,763 units)	0 to 287,526 ³	–	– [#]	–
[#] During the year, 263,961 units were released				
Contingent award of Performance units¹ to be delivered after 2022				
Sanjeev Dasgupta (118,017 units)	0 to 236,034 ³	–	0 to 236,034 ³	–
Contingent award of Performance units¹ to be delivered after 2023				
Sanjeev Dasgupta (144,310 units)	0 to 288,620 ³	–	0 to 288,620 ³	–
Contingent award of Performance units¹ to be delivered after 2024				
Sanjeev Dasgupta (180,206 units)	–	–	0 to 360,412 ³	–
Unvested Restricted units² to be delivered after 2019				
Sanjeev Dasgupta	76,849 ^{5,6}	–	– [*]	–
[*] During the year, 96,345 units were released				
Unvested Restricted units² to be delivered after 2020				
Sanjeev Dasgupta	108,261 ^{5,7}	–	54,131 ^{5,6^}	–
[^] During the year, 54,130 units were released				
Unvested Restricted units² to be delivered after 2021				
Sanjeev Dasgupta	0 to 216,465 ^{4,5}	–	144,310 ^{5,7} [©]	–
[©] During the year, 72,155 units were released				
Contingent award of Restricted units² to be delivered after 2022				
Sanjeev Dasgupta (180,206 units)	–	–	0 to 270,309 ^{4,5}	–

There was no change in any of the above-mentioned interests in the Trust between the end of the financial year and 21 January 2023.

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.

Trustee-Manager's Statement

For the financial year ended 31 December 2022

DIRECTORS' INTERESTS IN UNITS AND DEBENTURES (CONTINUED)

Notes:

- 1 Performance units are units under awards pursuant to the CapitaLand India Trust Management Pte. Ltd. Performance Unit Plan 2019.
- 2 Restricted units are units under awards pursuant to the CapitaLand India Trust Management 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 CapitaLand India Trust Management Pte. Ltd. Restricted Unit Plan 2019, will also be released on the final vesting.
- 6 Being the unvested remaining one-third of the award.
- 7 Being the unvested two-thirds of the award.

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 year to acquire unissued units in the Trust.

No units have been issued during the financial year by virtue of the exercise of options to take up unissued units in the Trust.

There were no unissued units in the Trust under option as at the end of the financial year.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee ("ARC") comprises four 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
Ms Deborah Tan Yang Sock

The ARC carried out its functions in accordance with Regulation 13(6) of the Singapore Business Trusts Regulations 2005, 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 semi-annual 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 of the Trustee-Manager;
- 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;

Trustee-Manager's Statement

For the financial year ended 31 December 2022

AUDIT AND RISK COMMITTEE (CONTINUED)

- 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 2004 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 of the Trustee-Manager;
- Reviewing the independence and objectivity of the external auditor annually, including considering the nature and extent of non-audit services performed by the external auditor;
- Meeting with the external and internal auditors, without the presence of the Management of the Trustee-Manager, at least once annually;
- Recommending the appointment, re-appointment or removal of the external or internal auditors to the Board of the Trustee-Manager;
- 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 of Trustee-Manager the appointment of Deloitte & Touche LLP as the independent external auditor of the Trust at the forthcoming annual general meeting of the Unitholders.

AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

For and on behalf of the Trustee-Manager,
CapitaLand India Trust Management Pte. Ltd.

MANOHAR KHIATANI
Director

SANJEEV DASGUPTA
Director

24 February 2023

Statement by the Chief Executive Officer of the Trustee-Manager

For the financial year ended 31 December 2022

I, the Chief Executive Officer of CapitaLand India Trust Management Pte. Ltd. (formerly known as Ascendas Property Fund Trustee Pte. Ltd.), as Trustee-Manager (the “Trustee-Manager”) of CapitaLand India Trust (formerly known as 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

24 February 2023

Statement on Policies and Practices

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

The Board of Directors (the “Board”) of CapitaLand India Trust Management Pte. Ltd., as trustee-manager (the “Trustee-Manager”) of CapitaLand India Trust (“CLINT”), is responsible for safeguarding the interests of the unitholders of CLINT (the “Unitholders”) as a whole and providing oversight for the business of CLINT. The Trustee-Manager has general powers of management over the business and assets of CLINT and its main responsibility is to manage CLINT’s assets and liabilities for the benefit of the Unitholders as a whole. In the event of a conflict between the interests of the Unitholders as a whole and its own interests, the Trustee-Manager will prioritise the interests of the Unitholders as a whole, over its own interests.

The Board of the Trustee-Manager, in exercising its powers and carrying out its duties as Trustee-Manager of CLINT, has put in place measures to ensure that the following are met:

- the property of CLINT is properly accounted for and is kept distinct from any property held by the Trustee-Manager in its own capacity;
- adherence to the business scope of CLINT as set out in the trust deed constituting CLINT dated 7 December 2004 (as amended, varied or supplemented from time to time) (the “Trust Deed”);
- potential conflicts between the interests of the Trustee-Manager and the interests of the Unitholders as a whole are appropriately managed;
- interested persons transactions are transparent, properly reviewed and recorded;
- expenses and cost allocations payable to the Trustee-Manager out of the property of CLINT, and fees and expenses charged to CLINT are appropriate and in accordance with the Trust Deed; and
- compliance with the Business Trusts Act 2004 (“BTA”), the Listing Rules of Singapore Exchange Securities Trading Limited (“SGX-ST”) and any other applicable laws and regulations.

TRUST PROPERTY PROPERLY ACCOUNTED FOR

For the purpose of ensuring that the property of CLINT is properly accounted for and kept distinct from the property held by the Trustee-Manager in its own capacity, the accounting records of CLINT are kept separate from the accounting records of the Trustee-Manager for its own matters. Separate bank accounts are maintained by the Trustee-Manager in its capacity as trustee-manager of CLINT and in its own capacity.

ADHERENCE TO BUSINESS SCOPE

CLINT is established to invest in real estate (which may be by way of direct ownership of real estate or by way of holding shares or units or interests in special purpose vehicles (“SPV”)), real estate related assets and/or such other authorised investments. The Trustee-Manager shall manage the property of CLINT such that the principal investments of CLINT are in real estate. The Investment Committee (“IC”) assists the Board in ensuring adherence to the business scope. The responsibilities of the IC are set out in the Corporate Governance Report.

Statement on Policies and Practices

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

POTENTIAL CONFLICTS OF INTEREST

The Trustee-Manager is a related company of CapitaLand Investment Limited (the “Sponsor”). The Sponsor is a deemed controlling Unitholder of CLINT and there may be potential conflicts of interest between the Unitholders as a whole, the Trustee-Manager and the Sponsor.

The Trustee-Manager has instituted, amongst others, the following measures to deal with issues of conflicts of interest:

- a Board comprising a majority of Independent Directors;
- all executive officers are directly employed by the Trustee-Manager;
- all resolutions in writing of the Board in relation to matters concerning CLINT must be approved by a majority of the Directors;
- where applicable, strict compliance with the relevant provisions of the Code of Corporate Governance;
- in respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by the Sponsor and/or its subsidiaries to the Board to represent its/their interests will abstain from voting. In such matters, the quorum must comprise a majority of the Independent Directors and must exclude nominee directors of the Sponsor and/or its subsidiaries; and
- where matters concerning CLINT relate to transactions to be entered into by the Trustee-Manager for and on behalf of CLINT with a related party of the Trustee-Manager, the Audit and Risk Committee (“ARC”) is required to review the terms of such transactions to satisfy itself that such transactions are conducted on normal commercial terms and are not prejudicial to the interests of CLINT, Unitholders as a whole or its minority Unitholders.

PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS

(i) Property Management Agreement

The Trustee-Manager, on behalf of CLINT, has entered into a Master Property Management Agreement (“PMA”) and individual Property Management Agreements with a related corporation, CapitaLand Services (India) Pvt Ltd (“CSIPL”) (formerly known as Ascendas Services (India) Pvt Ltd) (the “Property Manager”) for management of properties of CLINT for a term of 10 years, commencing from 1 August 2017 immediately following the expiry of the earlier PMA (which was entered into between the Trustee-Manager and CSIPL on 2 July 2007). The Trustee-Manager believes that the terms of these agreements, established since the listing of CLINT, are made on normal commercial terms and are not prejudicial to the interests of CLINT, the Unitholders as a whole and its minority Unitholders. The Trustee-Manager believes that the Property Manager has the necessary expertise and resources to perform property management, lease management and marketing services for CLINT under these agreements.

(ii) Exempted Agreements

The fees and charges payable by CLINT to the Trustee-Manager under the Trust Deed and to the Property Manager under the Property Management Agreements, are pursuant to interested person transactions which are deemed to have been specifically approved by the Unitholders upon subscription for the Units, to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder or the terms thereof which would adversely affect CLINT.

Statement on Policies and Practices

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS (CONTINUED)

(iii) Future Interested Person Transactions

Depending on the materiality of the transaction, CLINT may make a public announcement of such transaction or obtain Unitholders' prior approval for such a transaction. If necessary, the Board may make a written statement in accordance with the resolution of the Board and signed by at least two directors on behalf of the Board certifying that, inter alia, such interested persons transaction is not detrimental to the interests of CLINT, the Unitholders as a whole or to its minority Unitholders, based on the circumstances at the time of the transaction.

The Trustee-Manager may, in the future, seek an annual general mandate from the Unitholders for recurring transactions of revenue or trading nature or those necessary for its day-to-day operations with interested persons, and all transactions would then be conducted under such general mandate for the relevant financial year. In seeking such an annual general mandate, the Trustee-Manager may appoint an independent financial adviser to render an opinion as to whether the methods or procedures for determining the prices of transactions contemplated under the annual general mandate are sufficient to ensure that such transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of CLINT, the Unitholders as a whole and its minority Unitholders.

When CLINT acquires assets from the Sponsor or parties related to the Sponsor in the future, the Trustee-Manager will obtain valuations from independent valuers. In any event, interested person transactions entered into by CLINT, depending on the materiality of such transactions, may be publicly announced or, as the case may be, approved by Unitholders, and will, in addition, be:

- reviewed and recommended by the ARC of the Trustee-Manager, which currently comprises only Independent Directors; and
- decided by the Board, which comprises a majority of Independent Directors.

INTERESTED PERSON TRANSACTIONS IN FY 2022

The interested person transactions done in the financial year ended 31 December 2022 ("FY 2022") are set out below:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
CapitaLand India Trust Management Pte. Ltd.*	Trustee-Manager of CLINT		
- Trustee-manager fees paid/payable		18,386	-
- Acquisition fees paid/payable		1,037	-

* Refer to "Exempted Agreements" in paragraph (ii) on page 163.

Statement on Policies and Practices

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

INTERESTED PERSON TRANSACTIONS IN FY 2022 (CONTINUED)

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
CSIPL*	Property Manager of CLINT (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of CLINT)		
	Fees received/receivable by CSIPL from CLINT		
	– Property management services	3,874	–
	– Lease management services	1,926	–
	– Marketing services	2,681	–
	– Project management services	543	–
	– General management services	4,580	–
	Office rental and related miscellaneous income received/receivable by CLINT from:		
CSIPL	Property Manager of CLINT (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of CLINT)	584	–
Olam Information Services Private Limited	Tenant (an associate of a controlling shareholder of the Trustee-Manager and a controlling unitholder of CLINT)	1,272	–
Ascendas Flexoffice India Private Limited	Tenant (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of CLINT)	535	–
NCSI Technologies India Private Limited	Tenant (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of CLINT)	445	–

* Refer to "Exempted Agreements" in paragraph (ii) on page 163.

CLINT has not obtained a general mandate from Unitholders for any interested person transactions.

Statement on Policies and Practices

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

FEES AND EXPENSES CHARGED TO CLINT ARE APPROPRIATE AND IN ACCORDANCE WITH THE TRUST DEED

Fees payable to the Trustee-Manager

The Trustee-Manager is entitled under the Trust Deed to the following management fees:

- a base fee at the rate of 0.5% per annum of the value of the property of CLINT; and
- a performance fee at the rate of 4% per annum of the net property income of CLINT in the relevant financial year (calculated before accounting for the performance fee in that financial year).

Any increase in the rate or any change in the structure of the Trustee-Manager's management fees must be approved by an extraordinary resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The base fee and the performance fee are payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect). The Trustee-Manager had elected to receive 50% of both base fee and performance fee in Units and the remainder in cash for FY 2022.

For transactions, the Trustee-Manager is entitled to:

- 1% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) purchased by the Trustee-Manager on behalf of CLINT, whether directly or indirectly through a SPV, or 1% of the acquisition price of any authorised investment acquired by the Trustee-Manager on behalf of CLINT; and
- 0.5% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) sold or divested by the Trustee-Manager on behalf of CLINT, whether directly or indirectly through an SPV, or 0.5% of the sale price of any authorised investment sold or divested by the Trustee-Manager on behalf of CLINT.

The acquisition fee and the divestment fee are payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect) at the then prevailing price. In accordance with the Trust Deed, when CLINT acquires or disposes of real estate from an interested person, the acquisition or, as the case may be, the divestment fee may be in the form of cash and/or Units issued at the prevailing market price, and, if received in the form of Units by the Trustee-Manager, such Units shall not be sold within one year from the date of issuance.

Any payment to third party agents or brokers in connection with the acquisition or divestment of any asset of CLINT shall be paid by the Trustee-Manager to such persons out of the property of CLINT or the assets of the relevant SPV, and not out of the acquisition fee or the divestment fee received or to be received by the Trustee-Manager.

Any increase in the maximum permitted level of the Trustee-Manager's acquisition fee or disposal fee must be approved by an extraordinary resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

Under the Trust Deed, the Trustee-Manager is entitled to a trustee fee in cash of up to 0.02% per annum of the value of the property of CLINT.

Any increase in the maximum permitted amount or any change in the structure of the trustee fee must be approved by an extraordinary resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

Statement on Policies and Practices

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST
PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT 2004

FEES AND EXPENSES CHARGED TO CLINT ARE APPROPRIATE AND IN ACCORDANCE WITH THE TRUST DEED (CONTINUED)

The table below sets out the fees earned by the Trustee-Manager for the financial year ended 31 December 2022:

	\$'000
Management Fee	11,538
Performance Fee	6,386
Trustee Fee	462
Acquisition Fee	1,037
Total	<u>19,423</u>

For FY 2022, the Board met every quarter to review the expenses charged to CLINT against the budget approved by the Board.

The expenses charged to CLINT for the financial year ended 31 December 2022 are set out below:

	\$'000
Travel, entertainment and others	<u>119</u>

COMPLIANCE WITH THE BTA AND LISTING RULES

The Company Secretary and Compliance Officer monitor compliance by CLINT with the BTA and SGX-ST's Listing Rules.

Statement on Composition of the Board of Directors

Under regulation 12(1) of the Business Trusts Regulations 2005 (“BTR”), the Board is required to comprise:

- at least a majority of Directors who are independent from management and business relationships with the Trustee-Manager;
- at least one-third of Directors who are independent from management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and
- at least a majority of Directors who are independent from any single substantial shareholder of the Trustee-Manager.

As at the date of this report, the Board consists of eight directors, five of whom are independent directors for the purposes of the BTR.

In accordance with Rule 12(8) of the BTR, the Board of Directors of CapitaLand India Trust Management Pte. Ltd., as trustee-manager of CapitaLand India Trust (the “Trust”, and the trustee-manager of the Trust, the “Trustee-Manager”) has determined that the following Directors are independent from Management and business relationships with the Trustee-Manager, and independent from every substantial shareholder of the Trustee-Manager:

Mr Alan Rupert Nisbet;
Mrs Zia Jaydev Mody;
Dr Ernest Kan Yaw Kiong;
Ms Tan Soon Neo Jessica; and
Ms Deborah Tan Yang Sock

Mr Manohar Khiatani, Mr Jonathan Yap Neng Tong and Mr Sanjeev Dasgupta are considered Non-Independent Directors by the Board of Directors of the Trustee-Manager.

Mr Khiatani is the Senior Executive Director of CapitaLand Investment Limited and Mr Yap is the Chief Executive Officer, Listed Funds of CapitaLand Investment Limited. Mr Dasgupta is the Chief Executive Officer of the Trustee-Manager.

CapitaLand Investment Limited has a 100% deemed interest in the Trustee-Manager.

Independent Auditor's Report To the Unitholders of Capitaland India Trust

For the financial year ended 31 December 2022

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of CapitaLand India Trust (formerly known as 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 2022, and 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 as set out on pages 174 to 240.

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 2004 (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 2022 and of the consolidated financial performance, consolidated 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 *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 year. 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.

Valuation of investment properties and investment properties under construction

The Group has investment properties and investment properties under construction (collectively, the "Properties") stated at fair values, determined based on external independent professional valuers ("external valuers") engaged by the Trustee-Manager. As at 31 December 2022, the fair valuation of the Properties amounted to \$2,455 million, representing 76% of the Group's total assets.

The valuation process involves significant judgement and estimation by the external valuers. The valuations are dependent on the valuation methodologies applied and the key underlying assumptions used, which include discount rates and capitalisation rates, where applicable. A combination of global inflationary pressures, higher interest rates and currency movements have heightened the potential for greater volatility in property markets over the short-to-medium terms. Consequently, the valuations of investment properties may be subject to the heightened market volatility.

Independent Auditor's Report To the Unitholders of Capitaland India Trust

For the financial year ended 31 December 2022

Key Audit Matters (continued)

Valuation of investment properties and investment properties under construction (continued)

How the matter was addressed in the audit

We read and understood the terms of engagement of the external valuers and also considered the objectivity and independence of the external valuers including their qualifications and competency.

We considered the reasonableness of the fair values determined by the external valuers for the Properties. We engaged our internal valuation specialists to assist in reviewing selected valuation reports issued by the external valuers for the Group's Properties to assess whether the valuation methodologies and key assumptions adopted are reasonable. We, together with our internal valuation specialists, held discussions with the external valuers on the results of their work, and compared the key assumptions used in their valuations by reference to externally published benchmarks or comparables, where available and considered whether these assumptions are consistent with the current market conditions.

We also considered the adequacy of the disclosures in Notes 3(a), 19, 20 and 31(c)(iii) to the financial statements.

Taxation matters

(a) Uncertain tax positions

The Group operates in various states in India and the tax positions taken are periodically subject to challenges by local tax authorities on a range of tax matters during the normal course of business. These areas include disputed tax positions on various matters including income tax disputes, transfer pricing, service tax, value added-tax on fit-out rental and property tax. Further details are disclosed in Note 34 to the financial statements.

Significant judgement is required by the Group 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.

The Group assesses whether provisions or disclosure as contingent liabilities are required for tax matters, based on reasonable estimates for possible consequences of audits by the tax authorities of the respective countries in which it operates. The assessments made are 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.

As at 31 December 2022, the provisions are included in Note 24 to the financial statements and the Group has disclosed contingent liabilities arising from uncertain tax positions as set out in Note 34(a)–(e) to the financial statements.

How the matter was addressed in the audit

We, together with internal tax specialists, read correspondences between the tax authorities and the Group. We have reviewed and evaluated Management's assessment, which is based on advice from their independent tax or legal consultants, in respect of estimates of tax exposures and contingencies in assessing the adequacy of the Group's tax positions. In our evaluation of Management's judgement, we considered the status of recent and current tax audits and enquiries, outcome of previous claims, judgmental positions taken in tax returns, current year estimates and developments in the tax environment in India. We have also assessed the appropriateness of the Group's disclosures on the contingent liabilities arising from these uncertain tax positions in Notes 3(b) and 34(a)–(e) to the financial statements.

Independent Auditor's Report To the Unitholders of Capitaland India Trust

For the financial year ended 31 December 2022

Key Audit Matters (continued)

Taxation matters (continued)

(b) Deferred tax

As at 31 December 2022, the Group recognised a net deferred tax liabilities of \$390 million. Deferred tax liabilities are recognised on fair value gains on 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 Properties through use (except for land through sale) and as to when they are expected to avail themselves of the deduction under section 80IA of Indian Income Tax Act 1961.

Deferred tax assets are recognised for all unused tax losses and minimum alternate tax ("MAT") credit to the extent that it is probable that taxable profit will be available against which the losses and MAT credit can be utilised and as to when they are expected to avail themselves of the deduction under section 80IA of Indian Income Tax Act 1961. Management judgement 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.

How the matter was addressed in the audit

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 through sale). This also includes Management's assumption as to when deduction under section 80IA of Indian Income Tax Act 1961 can be availed. We tested the reasonableness of the amounts recognised as deferred tax liabilities, including the assessment of the effective tax rate applied to the fair value gain on the Properties.

With respect to deferred tax assets, we assessed whether the Group has met with the requirements of local tax regulations in relation to tax losses and MAT credit and deduction under section 80IA of Indian Income Tax Act 1961. We reviewed the assumptions used in management's projections to determine the level of future taxable profits.

In addition, we assessed the adequacy of the Group's disclosures on deferred tax positions and assumptions used in Notes 3(b) and 8(b) to the financial statements.

Other Matter

The financial statements of the Group and the Trust for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on 24 February 2022.

Information Other than the Financial Statements and Auditor's Report Thereon

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 Capitaland India Trust

For the financial year ended 31 December 2022

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 the Trustee-Manager 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 the Trustee-Manager.
- Conclude on the appropriateness of the 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.

Independent Auditor's Report To the Unitholders of Capitaland India Trust

For the financial year ended 31 December 2022

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by by the Trustee-Manager on behalf of 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 Ms Tay Hwee Ling.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

24 February 2023

Consolidated Income Statement

For the financial year ended 31 December 2022

	Note	2022 \$'000	Group 2021 \$'000
Property income			
Base rent		159,184	146,251
Amenities income		1,182	1,475
Fit-out rental income		1,624	2,171
Operations, maintenance and utilities income		39,785	35,140
Car park and other operating income		8,836	7,689
Total property income		210,611	192,726
Property expenses			
Operations, maintenance and utilities expenses		(18,124)	(17,545)
Service and property taxes		(5,425)	(3,714)
Property management fees		(10,080)	(8,245)
Other property operating expenses	5	(10,180)	(7,485)
Total property expenses		(43,809)	(36,989)
Net property income		166,802	155,737
Trustee-Manager's fees		(18,386)	(16,956)
Other operating expenses		(3,800)	(4,943)
Finance costs	6	(64,835)	(51,337)
Interest income	4	53,311	53,769
Fair value gain on derivative financial instruments – realised		24,257	5,307
Exchange loss – realised		(35,365)	(10,349)
Profit before change in fair value of investment properties, and unrealised gain (loss) on derivative financial instruments and foreign exchange		121,984	131,228
Fair value gain on derivative financial instruments – unrealised		5,495	423
Exchange (loss) gain – unrealised		(37,052)	4,061
Fair value gain on investment properties under construction	19	118,153	34,374
Fair value gain on investment properties	20	9,917	98,006
Profit before tax	7	218,497	268,092
Income tax expenses	8(a)	(73,750)	(67,627)
Net profit after tax		144,747	200,465
Net profit after tax attributable to:			
Unitholders of the Trust		137,400	192,289
Non-controlling interests		7,347	8,176
		144,747	200,465
Earnings per unit attributable to Unitholders of the Trust, expressed in cents per unit – basic and diluted	9	11.86	16.69

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 2022

	Group	
	2022 \$'000	2021 \$'000
Net profit after tax	144,747	200,465
Other comprehensive income:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
- Cash flow hedge	18,709	12,443
- Translation differences arising from the conversion of functional currency into presentation currency	(149,686)	5,077
Other comprehensive (loss) income for the year	(130,977)	17,520
Total comprehensive income for the year	13,770	217,985
Total comprehensive income attributable to:		
Unitholders of the Trust	15,961	209,473
Non-controlling interests	(2,191)	8,512
	13,770	217,985

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

Distribution Statement

For the financial year ended 31 December 2022

	Note	Group 2022 \$'000	2021 \$'000
Profit before change in fair value of investment properties, and unrealised gain (loss) on derivative financial instruments and foreign exchange		121,984	131,228
Income tax expenses		(30,792)	(35,650)
Trustee-Manager's fees payable in units	10	8,963	8,270
Depreciation of equipment and right-of-use assets	5	979	717
Exchange differences arising from refinancing of loans	10	9,629	1,899
Non-controlling interests		(5,065)	(6,466)
Distribution adjustments		(16,286)	(31,230)
Income available for distribution		105,698	99,998
10% retention		(10,570)	(10,000)
Income to be distributed		95,128	89,998
Income available for distribution per unit (cents)		9.10	8.66
Income to be distributed per unit (cents)		8.19	7.80

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

Balance Sheets

As at 31 December 2022

	Note	Group		Trust	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	11	167,398	167,887	5,046	2,769
Inventories	12	524	521	-	-
Other assets	13	1,819	1,880	11	12
Loans to subsidiaries	14	-	-	808,276	847,860
Trade and other receivables	15	76,920	58,134	2,066	1,648
Derivative financial instruments	17	14,631	17,953	14,631	17,953
Current income tax recoverable		15,312	19,947	-	-
		276,604	266,322	830,030	870,242
Non-current assets					
Other assets	13	32,148	34,423	-	-
Trade and other receivables	15	40,976	21,681	-	-
Long term receivables	16	317,724	344,696	-	-
Derivative financial instruments	17	77,954	9,204	77,954	9,204
Equipment	18	2,072	1,634	-	-
Right-of-use assets	25	2,422	2,809	-	-
Investment properties under construction	19	313,692	184,397	-	-
Investment properties	20	2,141,034	2,259,663	-	-
Goodwill	21	12,491	13,892	-	-
Investment in a joint venture	22	-	#	-	-
Investment in subsidiaries	23	-	-	545,050	606,168
		2,940,513	2,872,399	623,004	615,372
Total assets		3,217,117	3,138,721	1,453,034	1,485,614
LIABILITIES					
Current liabilities					
Trade and other payables	24	137,626	138,308	79,191	85,711
Lease liabilities	25	1,097	239	-	-
Borrowings	26	383,393	448,662	383,393	448,662
Derivative financial instruments	17	7,108	184	7,108	184
Current income tax liabilities		2,964	2,486	300	494
		532,188	589,879	469,992	535,051
Non-current liabilities					
Trade and other payables	24	60,312	59,006	-	-
Lease liabilities	25	1,921	3,112	-	-
Borrowings	26	856,440	634,176	856,440	634,176
Derivative financial instruments	17	-	3,911	-	3,911
Deferred income tax liabilities	8(b)	389,991	400,055	-	-
		1,308,664	1,100,260	856,440	638,087
Total liabilities		1,840,852	1,690,139	1,326,432	1,173,138
NET ASSETS		1,376,265	1,448,582	126,602	312,476

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 2022

	Note	Group		Trust	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
UNITHOLDERS' FUNDS					
Units in issue	27	1,002,172	993,400	1,002,172	993,400
Foreign currency translation reserve	28(a)	(651,398)	(511,250)	(327,555)	(311,569)
Hedging reserve	28(b)	(778)	(19,487)	(778)	(19,487)
Other reserves	28(c)	70,588	69,420	-	-
Retained earnings	28(d)	869,747	824,813	(547,237)	(349,868)
Net assets attributable to Unitholders of the Trust		1,290,331	1,356,896	126,602	312,476
Non-controlling interests		85,934	91,686	-	-
		1,376,265	1,448,582	126,602	312,476

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 2022

	Units in issue \$'000	Foreign currency translation reserve \$'000	Hedging reserve \$'000	Other reserves \$'000	Retained earnings \$'000	Net assets attributable to Unitholders of the Trust \$'000	Non- controlling interests \$'000	Total \$'000
2022								
Balance at beginning of financial year	993,400	(511,250)	(19,487)	69,420	824,813	1,356,896	91,686	1,448,582
Net profit for the year	-	-	-	-	137,400	137,400	7,347	144,747
Other comprehensive (loss) income for the year	-	(140,148)	18,709	-	-	(121,439)	(9,538)	(130,977)
Transfer to other reserves	-	-	-	1,168	(1,168)	-	-	-
Issue of new units	8,772	-	-	-	-	8,772	-	8,772
Distribution to Unitholders (Note 10)	-	-	-	-	(91,298)	(91,298)	-	(91,298)
Distribution to non- controlling interests	-	-	-	-	-	-	(3,561)	(3,561)
Balance at end of financial year	1,002,172	(651,398)	(778)	70,588	869,747	1,290,331	85,934	1,376,265
2021								
Balance at beginning of financial year	985,447	(515,991)	(31,930)	68,296	730,324	1,236,146	87,251	1,323,397
Net profit for the year	-	-	-	-	192,289	192,289	8,176	200,465
Other comprehensive income for the year	-	4,741	12,443	-	-	17,184	336	17,520
Transfer to other reserves	-	-	-	1,124	(1,124)	-	-	-
Issue of new units	7,953	-	-	-	-	7,953	-	7,953
Distribution to Unitholders (Note 10)	-	-	-	-	(96,676)	(96,676)	-	(96,676)
Distribution to non- controlling interests	-	-	-	-	-	-	(4,077)	(4,077)
Balance at end of financial year	993,400	(511,250)	(19,487)	69,420	824,813	1,356,896	91,686	1,448,582

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 2022

	Note	Group 2022 \$'000	2021 \$'000
Operating activities			
Net profit after tax		144,747	200,465
Adjustments for:			
Income tax expenses	8(a)	73,750	67,627
Interest income	4	(53,311)	(53,769)
Finance costs	6	64,835	51,337
Depreciation of equipment and right-of-use assets	5	979	717
Fair value gain on derivative financial instruments – unrealised		(5,495)	(423)
Fair value gain on investment properties under construction	19	(118,153)	(34,374)
Fair value gain on investment properties	20	(9,917)	(98,006)
Allowance for (Reversal of) impairment of trade receivables	5	597	(421)
Trustee-Manager's fees paid and payable in units	10	8,963	8,270
Exchange differences		46,681	(2,162)
Exchange differences arising from translation		8,245	5,983
Operating cash flows before changes in working capital		161,921	145,244
Changes in working capital			
Inventories		(55)	(65)
Other assets		(1,254)	(260)
Trade and other receivables		(9,242)	1,185
Trade and other payables		12,408	5,914
Cash flows from operations		163,778	152,018
Interest received		16,938	27,721
Income tax paid (net)		(35,433)	(32,156)
Net cash flows from operating activities		145,283	147,583
Investing activities			
Purchase of equipment	18	(1,522)	(1,234)
Advance payment on additional/acquisition of investment properties		(7,358)	(29,254)
Additions to investment properties under construction	19	(42,068)	(13,002)
Additions to investment properties	20	(24,608)	(23,857)
Net cash outflow from acquisition of subsidiaries	23	(35,210)	(70,593)
Payment towards deferred consideration of investment properties		-	(4,629)
Receipt of long term receivables	16	3,761	82,153
Long term receivables	16	(45,629)	(150,979)
Net cash flows used in investing activities		(152,634)	(211,395)
Financing activities			
Repayment of borrowings	26	(487,400)	(178,133)
Distribution paid to Unitholders	10	(91,298)	(96,676)
Distribution paid to non-controlling interests		(3,561)	(4,077)
Interest paid	26	(64,130)	(47,488)
Proceeds from borrowings	26	657,509	456,559
Net cash flows from financing activities		11,120	130,185
Net increase in cash and cash equivalents		3,769	66,373
Cash and cash equivalents at beginning of financial year		167,887	101,126
Effects of exchange rate changes on cash and cash equivalents		(4,258)	388
Cash and cash equivalents at end of financial year	11	167,398	167,887

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 2022

Notes:

(A) Significant non-cash and other transactions

- 7,008,068 new units amounting to \$8,772,000 were issued at issue prices ranging from \$1.0883 to \$1.3857 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 2022.
- 5,658,492 new units amounting to \$7,953,000 were issued at issue prices ranging from \$1.3811 to \$1.4688 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 2021.

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 2022

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. CORPORATE INFORMATION

CapitaLand India Trust (formerly known as 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 CapitaLand India Trust Management Pte. Ltd. (formerly known as 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 2004. 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 CapitaLand India Trust Management 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 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)s”).

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.

As of 31 December 2022, the consolidated financial statements of the Group have been prepared on a going concern basis, notwithstanding that the Group was in net current liabilities position of \$255,584,000 (2021: \$323,557,000).

The ability of the Group to continue as a going concern is dependent on the Group’s ability to generate positive cash flows. In the opinion of the Trustee-Manager, the Group is able to continue as a going concern despite its net current liabilities position as the Trustee-Manager is of the view that the Group will be able to continue to generate sufficient net cash inflows from its operating activities and refinance borrowings to enable it to meet its financial obligations as and when they fall due. See Note 30(c) to the financial statements for more information.

2.2 Adoption of new and revised Standards

On 1 January 2022, the Group and the Trust have adopted all the new and revised SFRS(I) pronouncements which are mandatorily effective and are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements does not result in changes to the Group’s and the Trust’s accounting policies and has no material effect on the disclosures or on the amounts reported for the current or prior years.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Standards issued but not yet effective

At the date of authorisation of these financial statements, the Group has not adopted the following SFRS(I) pronouncements applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to SFRS(I) 1-8: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to SFRS(I) 1-12: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to SFRS(I) 1-1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to SFRS(I) 1-1: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to SFRS(I) 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024

The Management of the Trustee-Manager expects that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2.4 Impact of Interest Rate Benchmark Reform

In the prior year, the Group adopted the Phase 1 amendments Interest Rate Benchmark Reform: Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 (the "Phase 1 amendments") and the Phase 2 amendments Interest Rate Benchmark Reform: Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16 (the "Phase 2 amendments").

The Group also continues to apply the following hedge accounting reliefs provided by the Phase 2 amendments to existing cash flow hedges that have transitioned to alternative benchmark rates required by Interest Rate Benchmark Reform. As a result of the Phase 2 amendments:

- when the contractual terms of the Group's bank borrowings are amended as a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the basis immediately preceding the change, the Group changes the basis for determining the contractual cash flows prospectively by revising the effective interest rate. If additional changes are made, which are not directly related to the reform, the applicable requirements of SFRS(I) 9 are applied to the other changes; and
- when changes are made to the hedging instruments, hedged item and hedged risk as a result of the interest rate benchmark reform, the Group updates the hedge documentation without discontinuing the hedging relationship and, in the case of a cash flow hedge, the amount accumulated in the hedging reserve is deemed to be based on Singapore Overnight Rate Average ("SORA").

See Note 30(a)(ii) for further disclosures on interest rate benchmark transition.

2.5 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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Revenue recognition (continued)

(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 operations and maintenance of the properties.

(c) Car park and other operating income

Car park income includes revenue earned from the operations of the parking facilities, which is recognised when the services are rendered.

Other operating 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.

2.6 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 assets and liabilities, equity, income, expenses and cash flows resulting from intra-group transactions and dividends are eliminated on consolidation.

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.

Profit or loss and each component of other comprehensive income are attributed to the Unitholders of the Trust and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the Unitholders of the Trust and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Basis of consolidation and business combinations (continued)

(a) Basis of consolidation (continued)

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.

In the Trust's separate financial statements, investments in subsidiaries and joint venture are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

(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 2.14 (a) for the accounting policy on goodwill impairment.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 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.

2.7 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The functional currency of the Trust is Indian Rupee ("INR"). The presentation currency is SGD as the financial statements are meant primarily for users in Singapore.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in unitholders' funds. The foreign currency translation reserve is reclassified from unitholders' funds to profit or loss of the Group on disposal of the foreign operation.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has a currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing exchange rates at the reporting date; and
- (ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions).

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Equipment

(a) Measurement

Equipment is initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended.

(b) Depreciation

Depreciation on computers, furniture and equipment is calculated using the straight line method to allocate the depreciable amounts over the estimated useful lives as follows:

	Useful lives
Computers, furniture and equipment	3 to 10 years

The residual values, estimated useful lives and depreciation method of equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenditure is recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other property operating expenses".

2.9 Investment properties under construction

All investment properties under construction where fair values are reliably determinable are measured at fair value. Changes in fair values are recognised in profit or loss for the period in which they arise. 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.

2.10 Investment properties

Investment properties of the Group, principally comprising completed office buildings, interest in freehold land and leasehold 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 for the period in which they arise. 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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Investment properties (continued)

On disposal of investment properties, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the properties are derecognised.

2.11 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 is recognised in profit or loss.

2.12 Joint ventures

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

The Group account for its investment in a joint venture using the equity method from the date on which it becomes a 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 joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in joint ventures are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint venture. The profit or loss reflects the share of results of the operations of the joint venture. Distributions received from joint venture reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the 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 joint venture are eliminated to the extent of the interest in the joint venture.

When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Joint ventures (continued)

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 joint venture. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the 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 joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the joint venture 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.

2.13 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.

2.14 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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 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) Equipment and right-of-use assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.15 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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 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.

(ii) *Fair value through other comprehensive income ("FVOCI")*

Financial assets that are held for collection of contractual cash flows and for sale of 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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 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 immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

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) *Cash flow hedge*

Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges of the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of the interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

Currency swaps

The Group has entered into currency swaps that qualify as cash flow hedges against highly probable forecasted transactions in foreign currencies. The fair value changes on the effective portion of the currency swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and transferred to either the cost of a hedged non-monetary asset upon acquisition or profit or loss when the hedged forecast transactions are recognised.

The fair value changes on the ineffective portion of currency swaps are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in other comprehensive income are reclassified to profit or loss immediately.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Financial instruments (continued)

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

(ii) Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets when, and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(d) Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for all debts instruments not held at fair value through profit or loss. 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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Financial instruments (continued)

(d) Impairment (continued)

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 adjusted for forward-looking factors specific to the debtors and the economic environment.

2.17 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.

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 recognises 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 2.14(c).

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Leases (continued)

(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.

2.18 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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 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.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Taxes (continued)

(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.

2.19 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.

2.20 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.

2.21 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.

2.22 Distributions to Trust's Unitholders

Distributions to the Trust's Unitholders are recognised when the distributions are declared payable by the Trustee-Manager.

2.23 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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.24 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.

2.25 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 the Trust if that person:
 - (i) has control or joint control over the Trust;
 - (ii) has significant influence over the Trust; or
 - (iii) is a member of the key management personnel of the Trustee-Manager or of a parent of the Trust.
- (b) An entity is related to the Group and the Trust if any of the following conditions applies:
 - (i) the entity and the Trust are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third party;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of an entity related to the Trust. If the Trust is itself such a plan, the sponsoring employers are also related to the Trust;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); or
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.26 Cash and cash equivalents in the statement of cash flows

Cash and cash equivalents in the statement of cash flows comprise cash on hand and demand deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires the Trustee-Manager 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.

The Trustee-Manager is of the opinion that any instances of application of judgements are not expected to have a significant impact on the amounts recognised in the financial statements.

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 that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year 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 methodologies. These methodologies comprise the income capitalisation method, the discounted cash flow method and the direct comparison 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, transacted price of comparable properties, discount rates and capitalisation 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 disclosed in Notes 19 and 20 and further explained in Note 31. The Trustee-Manager is of the view that the valuation methodologies 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 2022

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(b) Taxes (continued)

The Group assesses whether provisions or disclosure as contingent liabilities are required 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 losses and minimum alternate tax ("MAT") credit to the extent that it is probable that taxable profit will be available against which the losses and MAT credit can be utilised, and as to when they are expected to avail themselves of the deduction under section 80IA of Indian Income Tax Act 1961. Management judgement 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 through sale) and as to when they are expected to avail themselves of the deduction under section 80IA of Indian Income Tax Act 1961.

Details of income taxes are provided in Note 8 to the financial statements. The income tax expenses for the year ended 31 December 2022 is \$73,750,000 (2021 : \$67,627,000). The net deferred tax liabilities as at 31 December 2022 amounted to \$389,991,000 (2021 : \$400,055,000). The net current income tax recoverable as at 31 December 2022 is \$12,348,000 (2021 : \$17,461,000).

(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.

As at 31 December 2022, the trade and other receivables of the Group and the Trust amounted to \$117,896,000 and \$2,066,000 respectively (2021: \$79,815,000 and \$1,648,000 respectively). The Group's balances are net of allowance of impairment of \$2,774,000 (2021: \$2,531,000).

Notes to the Financial Statements

For the financial year ended 31 December 2022

4. INTEREST INCOME

	Group	
	2022 \$'000	2021 \$'000
Interest income		
– Financial institutions	5,627	3,849
– Long term receivables	46,435	48,795
– Others	1,249	1,125
	<u>53,311</u>	<u>53,769</u>

5. OTHER PROPERTY OPERATING EXPENSES

	Group	
	2022 \$'000	2021 \$'000
Advertising and publication	589	222
Depreciation of equipment and right-of-use assets	979	717
Employee benefits	398	381
Insurance	589	529
General management fee	4,562	4,125
Surcharges	273	122
Travel and hotel accommodation	169	54
Professional fees	1,652	1,460
Allowance for (Reversal of) impairment of trade receivables	597	(421)
Other direct costs	372	296
	<u>10,180</u>	<u>7,485</u>

6. FINANCE COSTS

	Group	
	2022 \$'000	2021 \$'000
Interest expenses		
– Financial institutions	58,156	43,124
– Medium term notes	6,325	7,882
– Lease liabilities	322	322
– Others	32	9
	<u>64,835</u>	<u>51,337</u>

7. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Group	
	2022 \$'000	2021 \$'000
Auditors of the Group:		
– Audit fee	424	343
– Non-audit fees	319	230

Notes to the Financial Statements

For the financial year ended 31 December 2022

8. INCOME TAXES

(a) Income tax expenses

	2022 \$'000	Group 2021 \$'000
Tax expenses attributable to profit is made up of:		
<i>Current income tax expenses</i>		
– Based on current year's results	34,418	31,902
– (Over) Under-provision in respect of prior years	(88)	116
	34,330	32,018
<i>Deferred income tax expenses</i>		
– Based on current year's results	39,270	35,609
– Under-provision in respect of prior years	150	–
	39,420	35,609
	73,750	67,627

The reconciliation between tax expenses and the product of accounting profit multiplied by the applicable corporate tax rate for the financial year ended 31 December 2022 and 2021 is as follows:

	2022 \$'000	Group 2021 \$'000
Profit before tax	218,497	268,092
Tax calculated at tax rate of 34.94% (2021: 34.94%)	76,343	93,671
Effects of:		
– Income not subject to tax	(43,806)	(35,550)
– Expenses not deductible for tax purpose	44,653	25,008
– Tax incentives	(120)	(7,620)
– Fair value gains on investment properties subject to lower tax rate	(14,330)	(17,698)
– Dividend distribution and withholding tax	11,439	10,917
– Under provision in respect of prior years	62	116
– Others	(491)	(1,217)
	73,750	67,627

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%.

Based on the provisions of Ordinance 2019, the corporate tax of 25.17% under new tax regime has been applied to selected subsidiaries in India.

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 (excluding surcharge and cess), as computed, is less than 15.00% of the book profits in the profit or loss account and after making certain specified adjustments. Set-off of MAT credit is allowed in a particular year on the difference between the tax liability under normal provisions and tax liability under MAT provisions for such years. MAT credit is allowed to carry forward for a period of 15 years.

Notes to the Financial Statements

For the financial year ended 31 December 2022

8. INCOME TAXES (CONTINUED)

(b) Deferred income tax liabilities and assets

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same tax authority. The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group	
	2022	2021
	\$'000	\$'000
Deferred income tax assets:		
– To be settled after one year	(17,113)	(29,310)
Deferred income tax liabilities:		
– To be settled after one year	407,104	429,365
Deferred income tax liabilities – net	389,991	400,055
The above comprises the following:		
– Fair value gains on investment properties	407,104	429,365
– Minimum alternate tax credit	(17,113)	(29,310)
	389,991	400,055

The movements in the deferred income tax assets and liabilities are as follows:

Group	Fair value gains on investment properties \$'000	Minimum alternate tax credit \$'000	Total \$'000
2022			
Balance at beginning of financial year	429,365	(29,310)	400,055
Tax charged to income statement	29,405	10,015	39,420
Translation differences	(51,666)	2,182	(49,484)
Balance at end of financial year	407,104	(17,113)	389,991
2021			
Balance at beginning of financial year	388,192	(31,951)	356,241
Tax charged to income statement	32,843	2,766	35,609
Translation differences	8,330	(125)	8,205
Balance at end of financial year	429,365	(29,310)	400,055

Deferred income tax assets are recognised for MAT credit available and tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

(c) Withholding tax on undistributed earnings

Under India domestic tax laws, all the companies will pay 10% withholding tax on the dividend distribution.

As at 31 December 2022, there is no deferred withholding tax liability provided as there is no planned dividend distribution. As at 31 December 2021, there was an amount of INR 200 million (equivalent to \$3,630,000) on planned dividend distribution and the same was repatriated to Singapore in the current financial year.

As at 31 December 2022, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries of which deferred tax liabilities have not been recognised is \$22,430,000 (2021: \$19,985,000). No deferred tax liabilities being 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 2022

9. EARNINGS PER UNIT

The calculation of basic earnings per unit is based on:

	Group	
	2022	2021
Total profit attributable to Unitholders (\$'000)	137,400	192,289
Weighted average number of units outstanding during the year ('000)	1,158,344	1,152,118
Earnings per unit (cents)	<u>11.86</u>	16.69

Diluted earnings per unit are the same as the basic earnings per unit as there are no dilutive instruments in issue during the financial year.

10. DISTRIBUTION TO UNITHOLDERS

	Group	
	2022 \$'000	2021 \$'000
Distribution paid:		
Exempt distribution of 4.19 cents per unit paid on 25 February 2021	-	48,244
Exempt distribution of 4.20 cents per unit paid on 25 August 2021	-	48,432
Exempt distribution of 3.60 cents per unit paid on 25 February 2022	41,662	-
Exempt distribution of 4.28 cents per unit paid on 30 August 2022	49,636	-
	<u>91,298</u>	96,676

A tax-exempt distribution of 3.91 cents per unit amounting to \$45,559,000 was approved on 6 February 2023 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 2023.

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 \$8,963,000 (2021: \$8,270,000) during the financial year.

During the financial year, net realised exchange loss of \$9,629,000 (2021: \$1,899,000) 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

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Cash at bank and on hand	84,414	55,309	5,046	2,769
Fixed deposits	82,984	112,578	-	-
	<u>167,398</u>	167,887	5,046	2,769

The exposure of cash and cash equivalents to interest rate risk and currency risk is disclosed in Note 30.

Notes to the Financial Statements

For the financial year ended 31 December 2022

11. CASH AND CASH EQUIVALENTS (CONTINUED)

Fixed deposits at the end of the reporting period had an average maturity of 6 months (2021: 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 2022, certain companies of the Group had cash and deposit balances denominated in INR amounting to approximately \$161,442,000 (2021: \$164,488,000) which are deposited with financial institutions in India. Cash and deposit balances which are denominated in INR, a controlled currency, are not freely convertible into foreign currencies.

12. INVENTORIES

	Group	
	2022	2021
	\$'000	\$'000
Operational supplies	524	521

13. OTHER ASSETS

	Group		Trust	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Deposits	94	108	-	-
Prepayments	1,725	1,772	11	12
	1,819	1,880	11	12
Non-current				
Advance payment for acquisition of investment property	26,218	29,158	-	-
Deposits	5,733	5,080	-	-
Prepayments	197	185	-	-
	32,148	34,423	-	-

The carrying amounts of deposits, denominated in INR, approximate their fair values.

14. LOANS TO SUBSIDIARIES

	Trust	
	2022	2021
	\$'000	\$'000
Loans to subsidiaries		
– Non-interest bearing	535,879	544,919
– Interest bearing	272,397	302,941
	808,276	847,860

As at 31 December 2022, 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% (2021: 2.58% to 9.15%) per annum.

The Group monitors the credit risk of the subsidiaries based on the past due information to assess if there is any significant increase in credit risk. The amounts due from subsidiaries are measured on 12-month expected credit losses and subject to immaterial credit loss.

Notes to the Financial Statements

For the financial year ended 31 December 2022

15. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current				
Trade receivables	12,015	9,015	-	-
Less: Allowance for impairment of trade receivables	(2,774)	(2,531)	-	-
Trade receivables – net	9,241	6,484	-	-
Non-related parties				
– Advances to suppliers	7,686	4,652	-	-
– Interest receivable	55,638	41,646	-	-
– Service input tax recoverable	4,285	4,957	-	-
– Others	70	395	2,066	1,648
	76,920	58,134	2,066	1,648
Non-current				
Non-related parties				
– Advances to suppliers	7,611	355	-	-
– Interest receivable	33,365	21,326	-	-
	40,976	21,681	-	-

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 trade receivables of \$597,000 (2021: reversal of impairment of trade receivables of \$421,000) was included in “Other property operating expenses”.

16. LONG TERM RECEIVABLES

	Group	
	2022 \$'000	2021 \$'000
Balance at beginning of financial year	344,696	348,122
Additions	45,629	150,979
Repayment	(3,761)	(82,153)
Derecognition upon acquisition of subsidiaries	(34,085)	(73,521)
Translation differences	(34,755)	1,269
Balance at end of financial year	317,724	344,696

Long term receivables pertain to inter-corporate deposit (“ICDs”) provided to non-related parties and subscription of non-convertible debentures (“NCDs”) and Rupee Denominated Bonds (“RDBs”) issued by non-related parties in connection with the Group’s potential investments for the development and/or construction of two industrial facilities at Chennai, a FTWZ warehouse at Khurja, two IT buildings at Bangalore, an IT building at Navi Mumbai, two IT buildings at Pune and IT buildings in aVance Hyderabad and HITEC City-2 Special Economic Zone, Hyderabad. These receivables were provided in the form of ICDs, NCDs, or RDBs to the non-related parties towards their repayment of a portion of the existing loans availed from lenders and for project development purposes.

These receivables have a tenure of 10 to 30 years and coupon rates ranging from 10.35% to 14.71% per annum. The receivables are also secured by a charge on lands, buildings and receivables of the non-related parties and backed by personal/corporate guarantees for the interest and principal repayment.

Notes to the Financial Statements

For the financial year ended 31 December 2022

16. LONG TERM RECEIVABLES (CONTINUED)

Subject to completion of negotiations with the non-related parties, satisfactory due diligence and the entry into a legally binding agreement with the non-related parties in connection with the potential investment, the receivables can be used to set off against the acquisition price of the properties of the non-related parties.

For certain long-term receivables provided to the non-related parties, the Group is able to appoint its representatives in the Board of Directors.

The long term receivables and the related interest receivables (Note 15) are measured on 12-month expected credit losses as there has been no significant increase in credit risk since initial recognition. The expected credit losses is immaterial by taking into account the benefits of the security held or other credit enhancements.

These long term receivables are held by the Group within a business model whose objective is to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding. Hence all of the long term receivables are classified as at amortised cost.

17. DERIVATIVE FINANCIAL INSTRUMENTS

	Group and Trust					
	2022			2021		
	Contractual/ Notional amount \$'000	Fair values		Contractual/ Notional amount \$'000	Fair values	
	Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000	
Current						
<i>Cash flow hedges</i>						
– Interest rate swaps	-	-	-	19,000	-	(37)
– Currency swaps	91,980	-	(7,108)	203,000	17,953	-
– Currency options	100,000	14,609	-	-	-	-
<i>Non-hedging instruments</i>						
– Currency forwards	9,000	22	-	12,000	-	(147)
		<u>14,631</u>	<u>(7,108)</u>		<u>17,953</u>	<u>(184)</u>
Non-current						
<i>Cash flow hedges</i>						
– Interest rate swaps	200,000	7,737	-	158,000	2,192	-
– Currency swaps	548,823	70,217	-	333,128	4,190	(3,911)
– Currency options	-	-	-	100,000	2,822	-
		<u>77,954</u>	<u>-</u>		<u>9,204</u>	<u>(3,911)</u>
		<u>92,585</u>	<u>(7,108)</u>		<u>27,157</u>	<u>(4,095)</u>

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 ended 31 December 2022 and 2021.

The Group held interest rate swaps to exchange floating-rate interest, on SGD loans of \$336,000,000 (2021: \$215,000,000), into fixed-rate interest at an average rate of 2.61% (2021: 1.95%) per annum.

The Group entered into currency swaps to exchange floating-rate loans and medium term notes consisting of:

- SGD loans of \$598,000,000 (2021: \$577,000,000) for INR obligations at average fixed-rate of 7.47% (2021: 7.11%) per annum
- HKD loans of \$50,895,000 (2021: \$50,895,000) for INR obligations at average fixed rate of 7.59% (2021: 7.59%) per annum

Notes to the Financial Statements

For the financial year ended 31 December 2022

17. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

- (c) JPY Medium term notes of \$67,573,163 (2021: \$67,573,163) for fixed-rate INR obligation at average fixed-rate of 7.63% (2021: 7.63%) per annum
- (d) JPY Medium term notes of \$42,819,980 (2021: \$42,819,980) for fixed-rate SGD obligation at average fixed-rate of 0.67% (2021: 0.67%) 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.

18. EQUIPMENT

	Group	
	2022	2021
	\$'000	\$'000
Cost		
Balance at beginning of financial year	5,306	4,645
Additions	1,522	1,234
Disposals/write-offs/transfers	(932)	(590)
Translation differences	(581)	17
Balance at end of financial year	<u>5,315</u>	<u>5,306</u>
Accumulated depreciation		
Balance at beginning of financial year	3,672	3,696
Depreciation charge	828	552
Disposals/write-offs/transfers	(892)	(590)
Translation differences	(365)	14
Balance at end of financial year	<u>3,243</u>	<u>3,672</u>
Net book value		
Balance at end of financial year	<u>2,072</u>	<u>1,634</u>
Balance at beginning of financial year	<u>1,634</u>	<u>949</u>

19. INVESTMENT PROPERTIES UNDER CONSTRUCTION

	Group	
	2022	2021
	\$'000	\$'000
Balance at beginning of financial year	184,397	109,113
Additions	40,766	16,490
Acquisition of subsidiaries (Note 23)	-	24,160
Interest capitalised	284	-
Fair value gain	118,153	34,374
Translation differences	(29,908)	260
Balance at end of financial year	<u>313,692</u>	<u>184,397</u>

Investment properties under construction are stated at fair value, which has been determined based on valuations performed by CBRE South Asia Private Limited as at 31 December 2022. The details of the valuation methodologies and inputs used are disclosed in Note 31.

Notes to the Financial Statements

For the financial year ended 31 December 2022

19. INVESTMENT PROPERTIES UNDER CONSTRUCTION (CONTINUED)

In estimating the fair value of the investment properties under construction, the highest and best use of the properties is their current use. There has been a change to the valuation methodologies for one of the properties to income approach during the year (2021: direct comparison).

A combination of global inflationary pressures, higher interest rates and currency movements have heightened the potential for greater volatility in property markets over the short-to-medium terms. Consequently, the valuations of investment properties may be subject to the heightened market volatility.

The valuations of the investment properties under construction are appropriate as at 31 December 2022 and as at the date of this report, we are not aware of any market changes that will cause a change to the valuations of the investment properties.

Included in additions of investment properties under construction, \$5,103,000 (2021: \$6,405,000) was construction cost payable (Note 24).

20. INVESTMENT PROPERTIES

	Group	
	2022 \$'000	2021 \$'000
Balance at beginning of financial year	2,259,663	1,955,332
Additions	24,608	23,857
Acquisition of subsidiaries (Note 23)	79,759	164,269
Cost adjustment arising from change in deferred consideration	-	4,629
Amortisation of marketing fee	2,728	2,378
Straight-lining of rent free period	2,202	3,137
Fair value gain	9,917	98,006
Translation differences	(237,843)	8,055
	2,141,034	2,259,663

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 CBRE South Asia Private Limited as at 31 December 2022. The details of the valuation methodologies and inputs used are disclosed in Note 31.

In estimating the fair value of the investment properties, the highest and best use of the properties is their current use. There has been no change to the valuation methodologies during the year.

A combination of global inflationary pressures, higher interest rates and currency movements have heightened the potential for greater volatility in property markets over the short-to-medium terms. Consequently, the valuations of investment properties may be subject to the heightened market volatility.

The valuations of the investment properties are appropriate as at 31 December 2022 and as at the date of this report, we are not aware of any market changes that will cause a change to the valuations of the investment properties.

21. GOODWILL

	Group	
	2022 \$'000	2021 \$'000
Balance at beginning of financial year	13,892	13,839
Translation differences	(1,401)	53
Balance at end of financial year	12,491	13,892

Notes to the Financial Statements

For the financial year ended 31 December 2022

21. GOODWILL (CONTINUED)

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 \$11,015,000 (2021: \$12,250,000) and \$1,476,000 (2021: \$1,642,000) 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 the end of the reporting period are treated as part of the relevant CGU.

22. 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.. The company remains dormant since the date of incorporation and is currently under the voluntary liquidation process.

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	
				2022	2021	Cost of investment	
				%	%	2022 \$'000	2021 \$'000
Direct subsidiaries							
Ascendas Property Fund (India) Pte. Ltd.*	Investment vehicle of listed trust	Singapore	Ordinary	100	100	527,704	586,877
Ascendas Property Fund (FDI) Pte. Ltd. *	Investment vehicle of listed trust	Singapore	Ordinary	100	100	17,346	19,291
						545,050	606,168
Indirect subsidiaries							
Heliostech Investment Holdings Pte. Ltd *®	Investment vehicle of listed trust	Singapore	Ordinary	100	–		
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		

Notes to the Financial Statements

For the financial year ended 31 December 2022

23. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Subsidiaries	Principal activities	Country of incorporation/ place of business	Class of shares	Trust			
				Percentage of equity held by the Trust		Cost of investment	
				2022 %	2021 %	2022 \$'000	2021 \$'000
Indirect subsidiaries (continued)							
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		
Avance Technohub Private Limited ^	Development, owning and management of information technology parks in special economic zones in Hyderabad	India	Ordinary	100	100		
Loma Co-Developers 1 Private Limited ^	Development, owning and management of IT building in special economic zone in Navi Mumbai	India	Ordinary	100	100		
Datascape Realty Private Limited ^	Development, owning and management of data centre in Navi Mumbai	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		
Anomalous Infra Private 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	-		
Chengalpattu Logistics Parks Private Limited^	Development, construction, building, altering, acquiring, leasing and management of inter alia industrial parks in Chennai	India	Ordinary	100	-		
CapitaLand Hope Foundation (India) (fka Ascendas Give Foundation) &	Promoting charity, education and art forming part of corporate social responsibility obligations of member companies	India	Ordinary	80	80		
Trendspace IT Park Private Limited &@	Investment holding	India	Ordinary	100	100		
Ecospace IT Park Private Limited &@	Investment holding	India	Ordinary	100	-		
Minerva Veritas Data Centre Private Limited &	Development, owning and management of data centre in Chennai	India	Ordinary	100	-		

* Audited by Deloitte & Touche LLP

^ Audited by Deloitte Haskins & Sells LLP

& Audited by other auditors

@ Dormant as at 31 December 2022

Notes to the Financial Statements

For the financial year ended 31 December 2022

23. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Acquisition of subsidiaries

In March 2022, the Group's subsidiary, Ascendas Property Fund (India) Pte. Ltd. ("APFI"), had acquired 100% equity interest in Anomalous Infra Private Limited ("ANOMIPL"), for a cash consideration of INR 1,096 million (equivalent of \$19,575,000), settlement of long term receivables and accrued interest amounting to INR 853 million (equivalent to \$15,223,000).

In May 2022, APFI acquired 100% equity interest in Chengalpattu Logistics Parks Private Limited ("CLPPL") for an upfront cash consideration of INR 825 million (equivalent to \$14,780,000), settlement of long term receivables and accrued interest amounting to INR 1,125 million (equivalent to \$20,152,000).

The acquisition of ANOMIPL augments the Trust's presence in Panvel, while acquisition of CLPPL helps to diversify the Trust's portfolio into India's industrial facility sector.

In 2021, the Group acquired Avance Technohub Private Limited (formally known as Phoenix IT Infrastructure India Private Limited) and Loma Co-Developers 1 Private Limited to augment the Trust's presence in Hyderabad and Navi Mumbai, and Datascape Realty Private Limited to diversify the Trust's portfolio into India's data centre sector.

The identifiable assets acquired and liabilities assumed as at the acquisition date were:

	Group Cost recognised on acquisition	
	2022 \$'000	2021 \$'000
Investment properties (Note 20)	79,759	164,269
Investment properties under construction (Note 19)	-	24,160
Other assets	77	473
Trade and other receivables	120	6,863
Cash and cash equivalents	661	3,220
	80,617	198,985
Trade and other payables	(10,887)	(12,092)
Total identifiable net assets	69,730	186,893
Transaction costs capitalised	1,516	4,434
	71,246	191,327
<u>Consideration transferred for acquisition</u>		
Purchases consideration	69,730	186,893
Transaction costs	1,516	4,434
Total consideration	71,246	191,327
Less: Cash and cash equivalents acquired	(661)	(3,220)
Settlement of long term receivables & accrued interest	(35,375)	(87,629)
Deferred consideration	-	(29,885)
Net cash outflow from acquisition of subsidiaries	35,210	70,593

Notes to the Financial Statements

For the financial year ended 31 December 2022

24. TRADE AND OTHER PAYABLES

	Group		Trust	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current				
Amount owing to subsidiary	-	-	52,523	58,251
Other payables				
- Non-related parties				
- Interest payable	11,208	11,747	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	8,880	8,842
Accruals	21,230	17,925	291	990
Deferred consideration	26,218	29,796	-	-
Rental deposits	35,763	38,945	-	-
Others	15,849	14,490	6,289	5,881
	137,626	138,308	79,191	85,711
Non-current				
Rental deposits	60,106	58,772	-	-
Accruals	21	24	-	-
Others	185	210	-	-
	60,312	59,006	-	-
	197,938	197,314	79,191	85,711

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 year ended 31 December 2022

25. RIGHT-OF-USE ASSETS LEASE LIABILITIES

	Group	
	2022	2021
	\$'000	\$'000
Cost		
Balance at beginning of financial year	3,380	3,384
Translation differences	(306)	(4)
Balance at end of financial year	<u>3,074</u>	<u>3,380</u>
Accumulated depreciation		
Balance at beginning of financial year	571	405
Depreciation charge	151	165
Translation differences	(70)	1
Balance at end of financial year	<u>652</u>	<u>571</u>
Net book value		
Balance at end of financial year	<u>2,422</u>	<u>2,809</u>
Balance at beginning of financial year	<u>2,809</u>	<u>2,979</u>
Short-term lease liabilities		
Machinery	<u>1,097</u>	<u>239</u>
Long-term lease liabilities		
Machinery	<u>1,921</u>	<u>3,112</u>

The Group has lease liabilities for machinery in India. The leases for the machinery as at 31 December 2022 will mature between Year 2038 to 2048. The discount rate applied in the calculation of lease liabilities 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 2022

26. BORROWINGS

	Group and Trust	
	2022 \$'000	2021 \$'000
Current		
Unsecured bank loans	291,500	448,900
Less: Unamortised transaction costs	(74)	(238)
	291,426	448,662
Unsecured medium term notes	91,980	–
Less: Unamortised transaction costs	(13)	–
	91,967	–
Total current borrowings	383,393	448,662
Non-current		
Unsecured bank loans	858,823	529,388
Less: Unamortised transaction costs	(2,383)	(1,907)
	856,440	527,481
Unsecured medium term notes	–	106,740
Less: Unamortised transaction costs	–	(45)
	–	106,695
Total non-current borrowings	856,440	634,176
Total borrowings	1,239,833	1,082,838

Debt repayment schedule

	Total \$'000	Group and Trust	
		Within 1 year \$'000	After 1 year but within 5 years \$'000
2022			
Unsecured bank loans			
– Variable rate SGD term loans	1,097,101	291,426	805,675
– Variable rate HKD term loans	50,765	–	50,765
Unsecured medium term notes			
– 5 year JPY notes	91,967	91,967	–
Total	1,239,833	383,393	856,440
2021			
Unsecured bank loans			
– Variable rate SGD term loans	925,853	448,662	477,191
– Variable rate HKD term loans	50,290	–	50,290
Unsecured medium term notes			
– 5 year JPY notes	106,695	–	106,695
Total	1,082,838	448,662	634,176

Notes to the Financial Statements

For the financial year ended 31 December 2022

26. BORROWINGS (CONTINUED)

Interest rate

The weighted average effective interest rates of total borrowings as at the end of the reporting period were as follows:

	Group and Trust	
	2022	2021
Unsecured bank loans		
– SGD	3.97%	1.51%
– HKD	6.13%	1.36%
Unsecured medium term notes		
– 5 year JPY notes	0.66%	0.66%

Reconciliation of liabilities arising from financing activities

	Liabilities		Derivatives (assets) liabilities held to hedge borrowings		Total \$'000
	Borrowings \$'000	Interest payable \$'000	Currency swaps, interest rate swaps and currency options used for hedging assets \$'000	Currency swaps, interest rate swaps and currency options used for hedging liabilities \$'000	
2022					
Balance at beginning of year	1,082,838	11,747	(27,157)	4,095	1,071,523
Changes from financing cash flows					
Proceeds from borrowings	657,509	–	–	–	657,509
Repayment of borrowings	(487,400)	–	–	–	(487,400)
Finance costs paid	–	(64,130)	–	–	(64,130)
Total changes from financing cash flows	170,109	(64,130)	–	–	105,979
Change in fair value	–	–	(65,953)	3,013	(62,940)
Other changes					
Amortisation of transaction costs	5,057	–	–	–	5,057
Interest expense	–	59,778	–	–	59,778
Translation differences	(18,171)	3,813	525	–	(13,833)
Total liability-related other changes	(13,114)	63,591	525	–	51,002
Balance at end of year	1,239,833	11,208	(92,585)	7,108	1,165,564

Notes to the Financial Statements

For the financial year ended 31 December 2022

26. BORROWINGS (CONTINUED)

Reconciliation of liabilities arising from financing activities (continued)

	Liabilities		Derivatives (assets) liabilities held to hedge borrowings		Total \$'000
	Borrowings \$'000	Interest payable \$'000	Currency swaps, interest rate swaps and currency options used for hedging assets \$'000	Currency swaps, interest rate swaps and currency options used for hedging liabilities \$'000	
2021					
Balance at beginning of year	813,682	7,827	(30,264)	2,798	794,043
Changes from financing cash flows					
Proceeds from borrowings	456,559	–	–	–	456,559
Repayment of borrowings	(178,133)	–	–	–	(178,133)
Finance costs paid	–	(47,488)	–	–	(47,488)
Total changes from financing cash flows	278,426	(47,488)	–	–	230,938
Change in fair value			3,105	1,297	4,402
Other changes					
Amortisation of transaction costs	820	–	–	–	820
Interest expense	–	50,517	–	–	50,517
Translation differences	(10,090)	891	2	–	(9,197)
Total liability-related other changes	(9,270)	51,408	2	–	42,140
Balance at end of year	1,082,838	11,747	(27,157)	4,095	1,071,523

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 2022 and 2021, 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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

26. BORROWINGS (CONTINUED)

The total notes issued by the Trust as at 31 December 2022, which still remains outstanding, is \$92,000,000 (2021: \$107,000,000), consisting of:

- (a) 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.
- (b) 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.

27. UNITS IN ISSUE

	Group and Trust			
	2022		2021	
	Number of units (in thousands)	\$'000	Number of units (in thousands)	\$'000
Balance at beginning of financial year	1,154,079	993,400	1,148,420	985,447
Issue of new units				
– Fee paid in units	7,008	8,772	5,659	7,953
Balance at end of financial year	1,161,087	1,002,172	1,154,079	993,400

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.

28. RESERVES

(a) Foreign currency translation reserve

	Trust	
	2022 \$'000	2021 \$'000
Balance at beginning of financial year	(311,569)	(313,352)
Translation differences arising from the conversion of functional currency into presentation currency	(15,986)	1,783
Balance at end of financial year	(327,555)	(311,569)

(b) Hedging reserve

Hedging reserve represents the effective portion of cash flow hedge relationship existing as at the reporting date.

(c) Other reserves

Other reserves represent profits transferred to the statutory reserves of the Indian subsidiaries under Indian regulatory provisions.

(d) Retained earnings

	Trust	
	2022 \$'000	2021 \$'000
Balance at beginning of financial year	(349,868)	(203,026)
Loss for the year	(106,071)	(50,166)
Distribution to Unitholders (Note 10)	(91,298)	(96,676)
Balance at end of financial year	(547,237)	(349,868)

Notes to the Financial Statements

For the financial year ended 31 December 2022

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 CapitalLand Services (India) Pvt 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.

(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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

29. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Property Manager's fees (continued)

(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.

(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, CapitaLand Group Pte. Ltd. (formerly known as CapitaLand Limited) and Temasek Holdings (Private) Limited, and their associates. The effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free, repayable on demand and expected to be settled in cash unless otherwise stated.

In addition to the transactions disclosed elsewhere in the financial statements, the following are related party transactions based on agreed terms:

	Group	
	2022	2021
	\$'000	\$'000
Companies controlled by a unitholder that has significant influence over the Group:		
Trustee-Manager's fees paid/payable	19,423	18,263
Property management services	3,874	3,606
Lease management services	1,926	1,799
General management fee	4,580	4,125
Marketing services	2,681	3,489
Project management fees	543	276
Rental income received/receivable	(2,836)	(2,793)

Notes to the Financial Statements

For the financial year ended 31 December 2022

29. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Property Manager's fees (continued)

Acquisition fee

During the financial year, acquisition fee of INR 58 million (equivalent to \$1,037,000) was paid/payable to the Trustee-Manager related to acquisitions of Industrial Facility in Mahindra World City, Arshiya Panvel Warehouse 7, Data Centre land in Navi Mumbai and Data Centre land in Chennai.

During the previous financial year, acquisition fee of INR 72 million (equivalent to \$1,306,000) was paid/payable to the Trustee-Manager related to acquisition of aVance 6, Hyderabad and Aurum Q Parc, Building Q1, Navi Mumbai.

30. FINANCIAL RISKS AND CAPITAL 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.

The Trustee-Manager 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 organisational and reporting structure, operating manuals and delegation of authority guidelines.

The Audit and Risk Committee ("ARC") oversees how Trustee-Manager 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.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(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.

To enhance the stability of distribution to Unitholders, the Group enters into forward derivative contracts to manage its exposure to currency risk arising from a substantial portion of the cash flows denominated in INR from the subsidiaries it expects to receive. The hedging of INR cash flows receivable from the subsidiaries is effected through a forward sale of INR and a purchase of SGD on a future date. Such contracts are not part of designated hedge relationships.

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 balances.

Notes to the Financial Statements

For the financial year ended 31 December 2022

30. FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's main currency exposure based on the information provided to key management of the Trustee-Manager is as follows:

Group	INR \$'000	SGD \$'000	JPY \$'000	USD \$'000	HKD \$'000	Total \$'000
2022						
Financial assets						
Cash and cash equivalents	161,442	5,796	142	18	-	167,398
Trade and other receivables	98,019	295	-	-	-	98,314
Long term receivables	317,724	-	-	-	-	317,724
Other financial assets	5,827	-	-	-	-	5,827
Total financial assets	583,012	6,091	142	18	-	589,263
Financial liabilities						
Trade and other payables	(190,033)	-	(87)	-	-	(190,120)
Borrowings	-	(1,097,101)	(91,967)	-	(50,765)	(1,239,833)
Total financial liabilities	(190,033)	(1,097,101)	(92,054)	-	(50,765)	(1,429,953)
Net financial assets (liabilities)						
	392,979	(1,091,010)	(91,912)	18	(50,765)	(840,690)
Less: Net financial liabilities denominated in the respective entities' functional currencies	(392,979)	-	-	-	-	(392,979)
Currency swaps	-	498,000	91,980	-	50,823	640,803
Currency forwards	-	9,000	-	-	-	9,000
Currency options	-	100,000	-	-	-	100,000
Net currency exposure	-	(484,010)	68	18	58	(483,866)

Notes to the Financial Statements

For the financial year ended 31 December 2022

30. FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

Group	INR \$'000	SGD \$'000	JPY \$'000	USD \$'000	HKD \$'000	Total \$'000
2021						
Financial assets						
Cash and cash equivalents	164,488	3,311	71	17	-	167,887
Trade and other receivables	69,802	49	-	-	-	69,851
Long term receivables	344,696	-	-	-	-	344,696
Other financial assets	5,188	-	-	-	-	5,188
Total financial assets	584,174	3,360	71	17	-	587,622
Financial liabilities						
Trade and other payables	(192,954)	-	(103)	-	-	(193,057)
Borrowings	-	(925,853)	(106,695)	-	(50,290)	(1,082,838)
Total financial liabilities	(192,954)	(925,853)	(106,798)	-	(50,290)	(1,275,895)
Net financial assets (liabilities)						
	391,220	(922,493)	(106,727)	17	(50,290)	(688,273)
Less: Net financial liabilities denominated in the respective entities' functional currencies	(391,220)	-	-	-	-	(391,220)
Currency swaps	-	379,000	106,740	-	50,388	536,128
Currency forwards	-	12,000	-	-	-	12,000
Currency options	-	100,000	-	-	-	100,000
Net currency exposure	-	(431,493)	13	17	98	(431,365)

Notes to the Financial Statements

For the financial year ended 31 December 2022

30. FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

If SGD, JPY, USD and HKD changes against INR by 10% (2021: 10%) respectively with all other variables including tax rate being held constant, the effects on profit or loss from the net position will be as follows:

	Group	
	31 December 2022	31 December 2021
	\$'000	\$'000
	← Increase/(Decrease) →	
SGD against INR		
– Strengthened	(48,401)	(43,149)
– Weakened	48,401	43,149
JPY against INR		
– Strengthened	7	1
– Weakened	(7)	(1)
USD against INR		
– Strengthened	2	2
– Weakened	(2)	(2)
HKD against INR		
– Strengthened	6	10
– Weakened	(6)	(10)

(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.

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring the most cost-effective hedging strategies are applied.

Notes to the Financial Statements

For the financial year ended 31 December 2022

30. FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) Fair value interest rate risk (continued)

The Group is exposed to Singapore Swap Offered Rate ("SOR"). The exposures arise on derivatives and non-derivative financial liabilities (e.g. bank borrowings and medium term notes) referenced to SOR.

The Group has cash flow hedge relationships affected by the interest rate benchmark reform. Hedged items in these hedges include SOR-linked bank borrowings, which was transitioned to SORA. Hedging instruments include SOR-linked interest rate swaps.

The Group is closely monitoring the market and the updates from the various industry working groups managing the transition to new benchmark interest rates. The timelines for SOR are set to be discontinued by 30 June 2023.

Risks arising from the interest rate benchmark reform

The following are the key risks for the Group arising from the transition.

- Interest rate basis risk: There are two elements to this risk as outlined below.
 - If the bilateral negotiations with the Group's counterparties are not successfully concluded before the cessation of existing interest rate benchmarks, there are significant uncertainties with regard to the interest rate that would apply. This gives rise to additional interest rate risk that was not anticipated when the contracts were entered into; and
 - Interest rate basis risk may arise if a non-derivative instrument and the derivative instrument held to manage the interest risk on the non-derivative instrument transition to alternative benchmark rates at different times. This risk may also arise where back-to-back derivatives transition at different times.
- Accounting: If transition to alternative benchmark rates for certain contracts is finalised in a manner that does not permit the application of the reliefs introduced in the Phase 2 amendments, this could lead to discontinuation of hedge accounting relationships, increased volatility in profit or loss if re-designated hedges are not fully effective and volatility in the profit or loss if non-derivative financial instruments are modified or derecognised. The Group is aiming to agree changes to contracts that would allow SFRS(I) 9 reliefs to apply.

Notes to the Financial Statements

For the financial year ended 31 December 2022

30. FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) Fair value interest rate risk (continued)

Interest rate benchmark transition for non-derivative financial instruments

The following table summarises the non-derivative financial instruments held by the Group that feature cash flows that have been or will be affected by the interest rate benchmark reform. It does not include the Group's fixed rate financial instruments because cash flows on those instruments are not affected by the interest rate benchmark reform.

Non-derivative financial instruments prior to transition	Maturing in	Notional \$'000	Hedge accounting	Transition progress for non-derivative financial instruments
<u>2022</u>				
Bank borrowings linked to SOR	2023	61,500	Out of \$61.5 million, none of the bank borrowings are designated in a cash flow hedge	
Bank borrowings linked to SOR	2024	115,000	Out of \$115 million, \$101 million of bank borrowings are designated in a cash flow hedge	Not transitioned to SORA as at 31 December 2022
Bank borrowings linked to SOR	2025	100,000	Out of \$100 million, \$100 million of bank borrowings are designated in a cash flow hedge	Transitioned to SORA
Bank borrowings linked to SOR	2026	100,000	Out of \$100 million, \$100 million of bank borrowings are designated in a cash flow hedge	Transitioned to SORA
Total floating rate non-derivatives liabilities		376,500		
Amounts subject to the interest rate benchmark reform		376,500	Out of \$376.5 million, \$301 million of bank borrowings are designated in a cash flow hedge	Partially transitioned to SORA

Interest rate benchmark transition for derivatives and hedge relationships

The bank borrowings were hedged in a cash flow hedge using 6-months SOR to fixed interest rate swap or fixed cross currency contracts. In 2022, the Group entered into derivatives based on SORA plus fixed spread on the same terms as the transitioned non-derivative financial instruments originally designated in the hedging relationship. This change was effected as a direct consequence of the reform and on an economically equivalent basis. The Group updated the hedge documentation to reflect the transition of the derivatives and non-derivative financial instruments resulting from changes in SORA. The hedge relationship was not discontinued.

The Group will continue to apply the amendments to SFRS(I) 9 until the uncertainty arising from the interest rate benchmark reform with respect to the timing and the amount of the underlying cash flows that the Group is exposed to ends. The Group expects this uncertainty will continue until the Group's contracts that reference SORs are amended to specify the date on which the interest rate benchmark will be replaced, the basis for the cash flows of the alternative benchmark rate are determined including any fixed spread.

Notes to the Financial Statements

For the financial year ended 31 December 2022

30. FINANCIAL RISKS AND CAPITAL 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 the Trust's exposure to credit risk primarily from trade, other and long term 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 Group 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 and the outstanding receivables exceeded the security deposits paid by the tenants.

The Group determines that its financial assets are credit-impaired when:

- (i) A breach of contracts that is not cure or remediate within the stipulated timeframe;
- (ii) It is probable that the borrower will enter into bankruptcy or liquidation;
- (iii) There is a disappearance of an active market for that financial asset because of financial difficulty.

Financial assets are written off when there is no reasonable expectation of recovery.

The following are credit risk management practises and quantitative and qualitative information about amounts arising from expected credit losses for each classes of financial assets.

Notes to the Financial Statements

For the financial year ended 31 December 2022

30. FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(i) Long term receivables at amortised cost

The Group computes 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 2022 \$'000
12-month ECL Long term receivables at amortised costs	317,724

(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 uses 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 believes that no allowance for impairment is necessary in respect of trade receivables with sufficient security deposits as collateral. The Group provides ECL in respect of those trade receivables with balances in excess of security deposits.

Notes to the Financial Statements

For the financial year ended 31 December 2022

30. FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(ii) Trade and other receivables (continued)

Provision for expected credit losses of trade and other receivables

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(iii) Cash and cash equivalents

The Group held cash and cash equivalents of \$167,398,000 (2021: \$167,887,000) with banks which are of high credit ratings assigned by international credit-rating agencies and consider to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

(c) Liquidity risk

The Trustee-Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations. In addition, the Trustee-Manager 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	On demand and less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000
2022				
Net-settled swaps	(17,701)	(14,009)	(20,709)	–
Net-settled currency options	(1,766)	–	–	–
Net-settled currency forwards	(60)	–	–	–
Trade and other payables	(129,929)	(60,191)	–	–
Borrowings (including interest)	(419,925)	(196,437)	(732,672)	–
	<u>(569,381)</u>	<u>(270,637)</u>	<u>(753,381)</u>	<u>–</u>
2021				
Net-settled swaps	(30,894)	(24,982)	(36,915)	–
Net-settled currency options	(5,796)	(4,065)	–	–
Net-settled currency forwards	(184)	–	–	–
Trade and other payables	(134,199)	(58,858)	–	–
Borrowings (including interest)	(458,369)	(214,058)	(439,154)	–
	<u>(629,442)</u>	<u>(301,963)</u>	<u>(476,069)</u>	<u>–</u>

Notes to the Financial Statements

For the financial year ended 31 December 2022

30. FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

The Group and the 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. 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 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.

(d) Capital management

Management's objective when managing capital is to optimise the Group's capital structure within the borrowing limits set out in the Trust Deed to fund future acquisitions and asset enhancement works at the Group's properties. To maintain or achieve an optimal capital structure, Management may issue new units or source for additional borrowing from both financial institutions and capital markets.

Management monitors capital based on gearing ratio. As provided for in the Trust Deed, the maximum gearing ratio currently applicable is 50%.

The gearing ratio is calculated as total effective borrowings, which takes into account deferred consideration and the derivative financial instruments used to hedge borrowings, divided by value of Trust Property.

	Group	
	2022 \$'000	2021 \$'000
Total effective borrowings	1,180,597	1,089,425
Value of Trust Property	3,217,117	3,138,721
Gearing ratio	37%	35%

Trust Property consists of all properties 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 ended 31 December 2022 and 2021.

Notes to the Financial Statements

For the financial year ended 31 December 2022

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 through profit or loss \$'000	Fair value – hedging instrument \$'000	Financial assets carried at amortised cost \$'000	Financial liabilities carried at amortised cost \$'000	Total carrying amount \$'000
2022						
Financial assets						
Cash and cash equivalents	11	–	–	167,398	–	167,398
Other financial assets	13	–	–	5,827	–	5,827
Trade and other receivables	15	–	–	98,314	–	98,314
Long term receivables	16	–	–	317,724	–	317,724
Currency forwards	17	22	–	–	–	22
Currency swaps	17	–	70,217	–	–	70,217
Currency options	17	–	14,609	–	–	14,609
Interest rate swaps	17	–	7,737	–	–	7,737
		22	92,563	589,263	–	681,848
Financial liabilities						
Trade and other payables	24	–	–	–	190,120	190,120
Borrowings	26	–	–	–	1,239,833	1,239,833
Currency swaps	17	–	7,108	–	–	7,108
		–	7,108	–	1,429,953	1,437,061
2021						
Financial assets						
Cash and cash equivalents	11	–	–	167,887	–	167,887
Other financial assets	13	–	–	5,188	–	5,188
Trade and other receivables	15	–	–	69,851	–	69,851
Long term receivables	16	–	–	344,696	–	344,696
Currency swaps	17	–	22,143	–	–	22,143
Currency options	17	–	2,822	–	–	2,822
Interest rate swaps	17	–	2,192	–	–	2,192
		–	27,157	587,622	–	614,779
Financial liabilities						
Trade and other payables	24	–	–	–	193,057	193,057
Borrowings	26	–	–	–	1,082,838	1,082,838
Currency forwards	17	147	–	–	–	147
Currency swaps	17	–	3,911	–	–	3,911
Interest rate swaps	17	–	37	–	–	37
		147	3,948	–	1,275,895	1,279,990

Notes to the Financial Statements

For the financial year ended 31 December 2022

31. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(a) Accounting classifications (continued)

Trust	Note	Fair value through profit or loss \$'000	Fair value – hedging instrument \$'000	Financial assets carried at amortised cost \$'000	Financial liabilities carried at amortised cost \$'000	Total carrying amount \$'000
2022						
Financial assets						
Cash and cash equivalents	11	–	–	5,046	–	5,046
Loans to subsidiaries	14	–	–	808,276	–	808,276
Trade and other receivables	15	–	–	2,066	–	2,066
Currency forwards	17	22	–	–	–	22
Currency swaps	17	–	70,217	–	–	70,217
Currency options	17	–	14,609	–	–	14,609
Interest rate swaps	17	–	7,737	–	–	7,737
		22	92,563	815,388	–	907,973
Financial liabilities						
Trade and other payables	24	–	–	–	79,191	79,191
Borrowings	26	–	–	–	1,239,833	1,239,833
Currency swaps	17	–	7,108	–	–	7,108
		–	7,108	–	1,319,024	1,326,132
2021						
Financial assets						
Cash and cash equivalents	11	–	–	2,769	–	2,769
Loans to subsidiaries	14	–	–	847,860	–	847,860
Trade and other receivables	15	–	–	1,648	–	1,648
Currency swaps	17	–	22,143	–	–	22,143
Currency options	17	–	2,822	–	–	2,822
Interest rate swaps	17	–	2,192	–	–	2,192
		–	27,157	852,277	–	879,434
Financial liabilities						
Trade and other payables	24	–	–	–	85,711	85,711
Borrowings	26	–	–	–	1,082,838	1,082,838
Currency forwards	17	147	–	–	–	147
Currency swaps	17	–	3,911	–	–	3,911
Interest rate swaps	17	–	37	–	–	37
		147	3,948	–	1,168,549	1,172,644

The carrying values of fixed rate medium term notes and deposits 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 expected credit loss allowance 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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

31. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(b) Fair value hierarchy

The Group categorises 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.

(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 observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs \$'000	Total \$'000
2022			
Recurring fair value measurements			
Assets			
Financial assets:			
Derivative financial instruments			
– Currency forwards	22	–	22
– Currency swaps	70,217	–	70,217
– Interest rate swaps	7,737	–	7,737
– Currency options	14,609	–	14,609
Total financial assets	92,585	–	92,585
Non-financial assets:			
Investment properties	–	2,141,034	2,141,034
Investment properties under construction	–	313,692	313,692
Total non-financial assets	–	2,454,726	2,454,726
Liabilities			
Financial liabilities:			
Derivative financial instruments			
– Currency swaps	7,108	–	7,108
Total financial liabilities	7,108	–	7,108

Notes to the Financial Statements

For the financial year ended 31 December 2022

31. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(c) Fair value measurements (continued)

(i) Assets and liabilities measured at fair value (continued)

Group	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs \$'000	Total \$'000
2021			
Recurring fair value measurements			
Assets			
Financial assets:			
Derivative financial instruments			
– Currency swaps	22,143	–	22,143
– Interest rate swaps	2,192	–	2,192
– Currency options	2,822	–	2,822
Total financial assets	27,157	–	27,157
Non-financial assets:			
Investment properties	–	2,259,663	2,259,663
Investment properties under construction	–	184,397	184,397
Total non-financial assets	–	2,444,060	2,444,060
Liabilities			
Financial liabilities:			
Derivative financial instruments			
– Currency forwards	147	–	147
– Currency swaps	3,911	–	3,911
– Interest rate swaps	37	–	37
Total financial liabilities	4,095	–	4,095

(ii) Level 2 fair value measurements

As at 31 December 2022, 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.

Notes to the Financial Statements

For the financial year ended 31 December 2022

31. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(c) Fair value measurements (continued)

(iii) Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Group	Fair value \$'000	Valuation methodologies	Unobservable inputs	Range
2022				
Recurring fair value measurements				
– Investment properties	2,141,034	Discounted cash flow method, income capitalisation method, direct comparison method	Discount rate, capitalisation rate, land price per sq.ft	11.75% – 14.83% 8.00% – 9.00% INR 376 – INR 4,591
– Investment properties under construction	313,692	capitalisation method, direct comparison method		
2021				
Recurring fair value measurements				
– Investment properties	2,259,663	Discounted cash flow method, income capitalisation method, direct comparison method	Discount rate, capitalisation rate, land price per sq.ft	11.53% – 13.48% 8.50% – 9.00% INR 353 – INR 4,589
– Investment properties under construction	184,397	capitalisation method, direct comparison method		

The valuation of investment properties and investment properties under construction is determined through the three approaches, income capitalisation, discounted cash flow and direct comparison method. 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 direct comparison method will be based on the transacted price of comparable properties. The final valuations determined are an average of the approaches employed by CBRE South Asia Private Limited.

Notes to the Financial Statements

For the financial year ended 31 December 2022

32. COMMITMENTS

As at the end of the financial year, the Group has the following commitments:

(a) Development and investment expenditure

	2022 \$'000	2021 \$'000
Amounts approved and contracted for		
– Investment	377,684	450,690
– Development	585,509	239,208
Amounts approved but not contracted for		
– Development	21,264	12,981
	<u>984,457</u>	<u>702,879</u>

As at 31 December 2022, amount approved and contracted for includes:

- (i) \$54,705,000 (2021: \$54,152,000) pertaining to the acquisition of one IT building at Navi Mumbai.
- (ii) \$124,162,000 (2021: \$148,217,000) pertaining to the acquisition of IT buildings at aVance Hyderabad and HITEC City 2 Special Economic Zone, Hyderabad.
- (iii) \$79,854,000 (2021: \$96,975,000) pertaining to the acquisition of two IT buildings at Pune.
- (iv) \$3,443,000 (2021: \$3,829,000) pertaining to the acquisition of FTWZ warehouses at Khurja.
- (v) \$110,624,000 (2021: \$132,611,000) pertaining to the acquisition of IT buildings at Bangalore.
- (vi) \$4,896,000 (2021: \$14,906,000) pertaining to the acquisition of industrial facility at Chennai.
- (vii) \$19,316,000 (2021: \$51,804,000) pertaining to investment properties under construction in VITP.
- (viii) \$566,193,000 (2021: \$187,404,000 – data centre project at Navi Mumbai) pertaining to development of data centre projects at Navi Mumbai, Hyderabad and Chennai.

(b) Operating lease commitments

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:

	2022 \$'000	2021 \$'000
Lease receivables:		
– Within 1 year	55,564	48,947
– After 1 year but within 5 years	72,746	70,557
– After 5 years	2,139	29,400
	<u>130,449</u>	<u>148,904</u>

Notes to the Financial Statements

For the financial year ended 31 December 2022

33. OPERATING SEGMENT

The Group's investment properties are primarily tenanted for use as business space and are located in India. The Trustee-Manager considers that the Group operates within a single business segment and within a single geographical segment in India. The revenues from the Group are derived primarily from corporate tenants. In 2022, there is a single major customer with a total revenue of INR 1,681 million (equivalent to \$29,737,000) (2021: INR 1,546 million (equivalent to \$28,075,000)) and no other single customers contributed 10% or more to the Group's revenue.

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) Income tax disputes

International Technology Park Limited ("ITPL") operates both Special Economic Zone ("SEZ") and non-SEZ properties. In prior years, the Income Tax authorities disputed ITPL's allocation of Interest expense to non-SEZ properties only and issued an order requiring the same to be apportioned between SEZ and non-SEZ properties. In 2021, ITPL received a revised order for an additional tax demand of INR 88 million (equivalent to \$1,432,000) for assessment year 2014-15. ITPL had filed an appeal since the dispute from the authorities and is still awaiting for an update to the case.

Hyderabad Infratech Pvt Ltd ("HIPL") received income tax demand, including penalties and interest, of INR 374 million (equivalent to \$6,111,000) for assessment years 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 in prior years. 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 a difference in lease rental income treatment for the assessment years 2015-16, 2016-17, 2017-18 and 2018-19. 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. HIPL had filed an appeal since and is still awaiting for an update to the case.

VITP Private Limited ("VITP") received order from the Deputy Commissioner of Income Tax of INR 43 million (equivalent to \$700,000) in prior years which pertained mainly to disallowing the depreciation related to addition of fixed assets for the assessment year 2007-08. VITP had filed an appeal since and is still awaiting for an update to the case.

Ascendas Panvel FTWZ Private Limited ("Panvel") received an assessment order of INR 18 million (equivalent to \$296,000), disallowing the deduction claimed by Panvel, acting as co-developer under Section 80IAB in prior years. Panvel is of the view that it is eligible to claim the deduction and necessary approval had been obtained from relevant government authorities. It had filed an appeal since and is still awaiting for an update to the case.

Notes to the Financial Statements

For the financial year ended 31 December 2022

34. CONTINGENT LIABILITIES (CONTINUED)

(a) Income tax disputes (continued)

(a)(i) Transfer pricing disputes

In prior years, the difference in redemption price of preference shares 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 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 losses by INR 310 million (equivalent to \$5,060,000). ITPL contested the said demand notice and appealed against the same since and in the current year has received a favorable order from the appellate authority. As ITPL is in the process of filing a request for the order to give effect and the tax department may appeal to the higher authorities, ITPL continues to disclose the same as a contingent liability.

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, 2014-15, 2015-16, 2016-17 and 2017-18. Pursuant to rectification petition where the available MAT credits were earlier utilised for abovementioned assessment years, the Assessing Office passed a rectification order in prior years and the potential tax exposure attributable, not recognised in the financial statements which pertained mainly to this case was estimated to be INR 274 million (equivalent to \$4,468,000). VITP has filed an appeal since and is still awaiting for an update to the case.

Deccan Real Ventures Private Limited ("DRVPL"), Cyber Pearl Information Technology Park Private Limited ("Cyber Pearl") and Avance Atlas Infratech Private Limited ("AVAIPL") had received transfer pricing orders related to transfer pricing adjustment under section 92CA, with respect to interest expense on FCCDs. DRVPL, Cyber Pearl and AVAIPL have filed an appeal respectively since and are still awaiting for an update to the case.

The potential tax exposure, attributable to such demand notices which are not recognised in these financial statements, were estimated to be INR 67 million (equivalent to \$1,092,000) for DRVPL, INR 154 million (equivalent to \$2,513,000) for Cyber Pearl and INR 138 million (equivalent to \$2,244,000) for AVAIPL.

(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 was estimated to be INR 109 million. In prior years, ITPL had opted to apply the Indirect Tax Amnesty Scheme related to the service tax litigation for the period from October 2006 to March 2011, which amounted to INR 62 million. Accordingly, the potential tax exposure was estimated at INR 47 million (equivalent to \$767,000). ITPL had filed an appeal since and is still awaiting for an update to the case.

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 2022, the total service tax in dispute not recognised in the financial statements, including penalties and interest, amounts to INR 893 million (equivalent to \$14,574,000). 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 in prior years. AITPCL received a favourable order to set aside a portion of the initial claim, which Service Tax department contested on a service tax amount of INR 537 million (equivalent to \$8,764,000). The balance of INR 356 million (equivalent to \$5,810,000) represents the claim for period from April 2010 to October 2016 on account of similar matters. AITPCL had filed an appeal since and is still awaiting for an update to the case.

Notes to the Financial Statements

For the financial year ended 31 December 2022

34. CONTINGENT LIABILITIES (CONTINUED)

(b) Service tax disputes (continued)

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 in prior years. The potential tax exposure, including penalty attributable to such demand notices is estimated to be INR 216 million (equivalent to \$3,530,000). VITP had filed an appeal and received a favourable order from CESTAT on 11 August 2022. As the final assessment order has not been received and the Service Tax Department may appeal to the higher authorities, VITP continues to disclose the same as a contingent liability.

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 \$690,000), along with interest and equivalent penalty of INR 42 million (equivalent to \$690,000) is payable. HIPL has filed an appeal with CESTAT since and is still awaiting for an update to the case.

Cyber Pearl had received service tax notice including penalties, amounted to INR 76 million (equivalent to \$1,248,000) on reimbursement charges collected for utilities for the period from May 2015 to June 2017 in prior years. Cyber Pearl has filed an appeal with CESTAT since and is still awaiting for an update to the case.

(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. VITP and Cyber Pearl are still awaiting for an update to the appeals.

The potential tax exposure, attributable to such demand notices which are not recognised in the financial statements, was estimated to be INR 7 million (equivalent to \$116,000) for Cyber Pearl.

In prior years, VITP received revised orders for the assessment years 2005-06 to 2010-11 in which movable component is being considered in the value-added tax claim. Based on the above, VITP had reversed the provision of INR 49 million related to the above-mentioned assessment years. The potential tax exposure for assessment years 2011-12 and 2012-13 are still pending for the determination of the movable component amount, was estimated to be INR 15 million (equivalent to \$247,000).

(d) Property tax disputes

ITPL had received demand notice in prior years 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 \$6,498,000). ITPL contested the said demand notice and filed an appeal since. ITPL is still awaiting for an update to the case.

(e) Stamp duty charges under protest

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 (equivalent to \$1,012,000), for which INR 45 million was already paid under protest in prior years. Cyber Pearl had filed an appeal since and is still awaiting for an update to the case.

Notes to the Financial Statements

For the financial year ended 31 December 2022

34. CONTINGENT LIABILITIES (CONTINUED)

(f) 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 in prior years. ITPL contested 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 provided INR 139 million during the financial year ended 31 March 2019. ITPL also provided INR 41 million and INR 55 million for the Anchor building and Achor Annex building which were completed during the financial year ended 31 December 2019 and 31 December 2020 respectively.

In 2020, ITPL received a revised demand notice where the demand amount was revised from INR 242 million to INR 384 million. Accordingly, the contingent liability towards water supply and sanitary connection increased to INR 204 million (equivalent to \$3,313,000). ITPL has filed an appeal since and is still awaiting for an update to the case.

35. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 18 January 2023, the Group announced that its wholly owned subsidiaries, Ascendas Property Fund (FDI) Pte. Ltd. and Information Technology Park Limited, have entered into debenture subscription and loan agreements with Ebisu Techpark Private Limited ("ETPL") and Ebisu IT Park LLP to fund the development of 2 buildings at Outer Ring Road, Bangalore. Its wholly owned subsidiary, Ascendas Property Fund (India) Pte. Ltd., has also entered into a conditional share purchase agreement with the shareholders of ETPL to acquire 100% interest of ETPL.

Subsequent to year end, insolvency proceeding has been initiated against a debtor related to a project (approximately \$4,682,000 or INR 287 million) included in the long term receivables (note 16). Management has assessed this receivable to be recoverable and no provision for expected credit loss was expected.

36. 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, CapitalLand India Trust Management Pte. Ltd. on 24 February 2023.

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Directors' Statement

For the financial year ended 31 December 2022

The Directors are pleased to present their statement to the shareholder together with the audited financial statements of CapitaLand India Trust Management Pte. Ltd. (formerly known as Ascendas Property Fund Trustee Pte. Ltd.) (in its personal capacity and not as Trustee-Manager of CapitaLand India Trust) (the "Company") for the financial year ended 31 December 2022.

OPINION OF THE DIRECTORS

In the opinion of the Directors,

- (a) the accompanying balance sheet, statement of comprehensive income, statement of changes in equity and statement of cash flows are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2022 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Financial Reporting Standards in Singapore, and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

CHANGE OF NAME

The Company changed its name from Ascendas Property Fund Trustee Pte. Ltd. to CapitaLand India Trust Management Pte. Ltd. with effect from 27 September 2022.

DIRECTORS

The Directors of the Company in office at the date of this statement are as follows:

Mr Manohar Khiatani	(Chairman)
Mr Sanjeev Dasgupta	
Mr Alan Rupert Nisbet	
Mrs Zia Jaydev Mody	
Dr Ernest Kan Yaw Kiong	
Ms Tan Soon Neo Jessica	
Mr Jonathan Yap Neng Tong	
Ms Deborah Tan Yang Sock	(Appointed on 1 June 2022)

DIRECTORS' INTERESTS IN CONTRACTS

Since the end of the last financial year, no Director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Directors' interests in contracts which arose before their appointment as Directors are not set out herein.

Directors' Statement

For the financial year ended 31 December 2022

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of Directors' shareholdings, particulars of interests of Directors who held office at the end of the financial year (including those held by spouses and infant children) in shares or debentures of the Company, or of its related corporations, are as follows:

	Holdings in the name of the Director, spouse and/or infant children	
	At 1 January 2022	At 31 December 2022
Intermediate Holding Company		
CapitaLand Investment Limited (CLI)		
Ordinary Shares		
Mr Manohar Khiatani	232,743	467,587
Mr Jonathan Yap Neng Tong	376,390	888,778
Award of Performance shares^{1,3} to be delivered after 2021		
Mr Manohar Khiatani (255,852 shares)	255,852	–
Mr Jonathan Yap Neng Tong (558,226 shares)	558,226	–
Award of Performance shares^{1,3} to be delivered after 2022		
Mr Manohar Khiatani (117,654 shares)	117,654	117,654
Mr Jonathan Yap Neng Tong (509,845 shares)	509,845	509,845
Award of Performance shares^{1,3} to be delivered after 2023		
Mr Manohar Khiatani (111,679 shares)	111,679	111,679
Mr Jonathan Yap Neng Tong (647,749 shares)	647,749	647,749
Contingent award of Performance shares^{1,4} to be delivered after 2024		
Mr Manohar Khiatani (44,180 shares)	–	0 to 88,360
Mr Jonathan Yap Neng Tong (196,392 shares)	–	0 to 388,784
Contingent award of Performance shares^{1,6} under Founder Share Award to be delivered after 2025		
Mr Manohar Khiatani (177,116 shares)	0 to 531,348	0 to 531,348
Mr Sanjeev Dasgupta (177,116 shares)	0 to 531,348	0 to 531,348
Mr Jonathan Yap Neng Tong (637,619 shares)	0 to 1,912,857	0 to 1,912,857
Contingent award of Restricted shares^{2,5,6} to be delivered after 2022		
Mr Manohar Khiatani (44,180 shares)	–	0 to 66,270
Mr Jonathan Yap Neng Tong (194,392 shares)	–	0 to 291,588
Related Corporations		
CapitaLand Treasury Limited		
S\$500,000,000 3.65% Fixed Rate Subordinated Perpetual Notes		
Mr Jonathan Yap Neng Tong	S\$250,000	S\$250,000
Singapore Airlines Limited		
Ordinary Shares		
Mr Manohar Khiatani	10,000	10,000

Directors' Statement

For the financial year ended 31 December 2022

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONTINUED)

	Holdings in the name of the Director, spouse and/or infant children	
	At 1 January 2022	At 31 December 2022
Related Corporations (continued)		
<u>Olam International Limited</u>		
<i>S\$300,000,000 5.5% Perpetual Securities due 2022</i>		
Dr Ernest Kan Yaw Kiong	S\$250,000	–
<i>US\$300,000,000 4.5% Fixed Rate Notes due 2021</i>		
Dr Ernest Kan Yaw Kiong	US\$200,000	–
<u>Singapore Telecommunications Limited</u>		
<i>Ordinary Shares</i>		
Ms Tan Soon Neo Jessica	190	190
Mr Jonathan Yap Neng Tong	380	380
<u>Temasek Financial (IV) Private Limited</u>		
<i>S\$500,000,000 2.7% Coupon Temasek Bond due 2023</i>		
Ms Tan Soon Neo Jessica	S\$6,000	S\$6,000
<u>Sembcorp Marine Ltd</u>		
<i>Ordinary Shares</i>		
Mr Manohar Khiatani	257,827	257,827
Mr Jonathan Yap Neng Tong	34,555	34,555

Notes:

- Awards made pursuant to the CapitaLand Investment Performance Share Plan 2021 (PSP 2021).
- Awards made pursuant to the CapitaLand Investment Restricted Share Plan 2021 (RSP 2021).
- Following the completion of the strategic restructuring of the investment management business of CapitaLand Limited (CL) and as further described in CLI introductory document dated 17 July 2021, the awards granted under CL's CapitaLand Performance Share Plan 2010 and CapitaLand Performance Share Plan 2020 (collectively, the CL PSP Awards) to certain employees of CLI and CL group companies have been replaced with shares under the CapitaLand Investment Performance Share Plan 2021 (CLI PSP 2021), which will vest progressively over three years in accordance with the original vesting schedule of the CL PSP Awards.
- The final number of shares to be released will depend on the achievement of pre-determined targets over a three-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 200% of the baseline award. The Executive Resource and Compensation Committee (ERCC) of CLI has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.
- The final number of shares to be released will depend on the achievement of pre-determined targets at the end of a one-year performance period and the release will be over a vesting period of three years. Depending on the extent of the achievement of the pre-determined targets at the end of the performance period, the Executive Resource & Compensation Committee of CLI has the discretion to release the final number of shares ranging from between 0% to 150% of the baseline award. On the final vesting, an additional number of shares of a total value equal to the value of the accumulated dividends which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of the restricted share plan will also be released.
- This is a long-term share-based award which will vest after the end of a 5-year performance period, subject to the achievement of the targets approved by the Executive Resource and Compensation Committee of CLI. The number of shares to be released as soon as practicable upon vesting will be determined based on, inter alia, the award multiplied by an achievement factor. If the minimum performance level is achieved, the achievement factor will be 0.2. If the performance level exceeds minimum but is below superior, the achievement factor will be adjusted accordingly within the range of 0.2 to 3.0. If the performance level is superior and above, the achievement factor will be 3.0. Conversely, if the performance level is below minimum, the achievement factor will be zero and no share will be released. In the event of early achievement of the targets within the first three years of the performance period, a maximum of 20% to 50% of the baseline award can be released after the third year, with any balance in excess of 50% of the baseline award to be released only after the fifth year. The Executive Resource and Compensation Committee has the absolute discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

Directors' Statement

For the financial year ended 31 December 2022

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Except as disclosed under the Directors' Interests in Shares or Debentures and Share Plans sections of this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SHARE OPTIONS

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

INDEPENDENT AUDITOR

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors:

MANOHAR KHIATANI
Director

24 February 2023

SANJEEV DASGUPTA
Director

Independent Auditors' Report

Member of the Company
CapitaLand India Trust Management Pte Ltd
(formerly known as Ascendas Property Fund Trustee Pte Ltd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of CapitaLand India Trust Management Pte. Ltd. (formerly known as Ascendas Property Fund Trustee Pte Ltd) (the "Company"), which comprise the balance sheet as at 31 December 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 248 to 274.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2022 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information contained in the annual report of the Company. Other information is defined as all information in the annual report of the Company other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of the auditors' report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Independent Auditors' Report

Member of the Company
CapitaLand India Trust Management Pte Ltd
(formerly known as Ascendas Property Fund Trustee Pte Ltd)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional 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 controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

24 February 2023

Statement of Comprehensive Income

For the financial year ended 31 December 2022

	Note	2022 \$'000	2021 \$'000
Revenue	4	19,424	18,263
Cost of sales		(518)	(649)
Gross Profit		18,906	17,614
Other income	5	5,672	5,520
Expenses			
Depreciation of plant and equipment	9	(3)	(4)
Employee compensation	6	(4,998)	(5,598)
Other operating expenses	7	(3,739)	(3,425)
Total expenses		(8,740)	(9,027)
Profit before tax		15,838	14,107
Tax expenses	8	(1,893)	(1,642)
Net profit after tax		13,945	12,465
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Net fair value (loss)/gain on equity instruments at fair value through other comprehensive income ("FVOCI")		(20,240)	2,561
Total comprehensive (loss)/income for the year		(6,295)	15,026

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

Balance Sheet

As at 31 December 2022

	Note	2022 \$'000	2021 \$'000
ASSETS			
Non-current assets			
Deferred tax assets	8	10	11
Plant and equipment	9	11	2
Investment securities	10	82,796	95,219
		82,817	95,232
Current assets			
Trade and other receivables	11	18,268	19,070
Cash and cash equivalents	12	4,339	1,035
Prepayments		13	20
		22,620	20,125
Total assets		105,437	115,357
LIABILITIES			
Current liabilities			
Trade and other payables	13	3,351	3,877
Employee benefits	14	681	673
Current tax liabilities		2,382	3,467
		6,414	8,017
Non-current liability			
Employee benefits	14	451	626
Total liabilities		6,865	8,643
NET ASSETS		98,572	106,714
EQUITY			
Share capital	15	1,000	1,000
Fair value reserve	16	8,266	28,659
Revenue reserve		89,098	77,000
Other capital reserve		208	55
Total equity		98,572	106,714

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

Statement of Changes in Equity

For the financial year ended 31 December 2022

	Note	Share capital \$'000	Fair value reserve \$'000	Revenue reserve \$'000	Other Capital reserve \$'000	Total equity \$'000
2022						
As at 1 January 2022		1,000	28,659	77,000	55	106,714
Profit for the year		-	-	13,945	-	13,945
Other comprehensive loss:						
Net fair value loss on equity instruments at FVOCI	10	-	(20,240)	-	-	(20,240)
Total comprehensive loss for the year		-	(20,240)	13,945	-	(6,295)
Transfer of fair value reserve on equity instruments at FVOCI		-	(153)	153	-	-
Transactions with owner, recorded directly in equity						
Share based payment		-	-	-	153	153
Dividends	17	-	-	(2,000)	-	(2,000)
As at 31 December 2022		1,000	8,266	89,098	208	98,572
2021						
As at 1 January 2021		1,000	26,209	66,424	-	93,633
Profit for the year		-	-	12,465	-	12,465
Other comprehensive income:						
Net fair value gain on equity instruments at FVOCI	10	-	2,561	-	-	2,561
Total comprehensive income for the year		-	2,561	12,465	-	15,026
Transfer of fair value reserve on equity instruments at FVOCI		-	(111)	111	-	-
Transactions with owner, recorded directly in equity						
Share based payment		-	-	-	55	55
Dividends	17	-	-	(2,000)	-	(2,000)
As at 31 December 2021		1,000	28,659	77,000	55	106,714

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

Statement of Cash Flows

For the financial year ended 31 December 2022

	Note	2022 \$'000	2021 \$'000
Operating activities			
Net profit after tax		13,945	12,465
<u>Adjustments for:</u>			
Tax expenses	8	1,893	1,642
Depreciation of plant and equipment	9	3	4
Distribution income	5	(5,607)	(5,484)
Employee compensation paid/payable in units	6	818	824
Share-based expenses (equity settled)	6	153	55
Fund management fee received/receivable in units of listed property trust		(8,963)	(8,270)
Operating cash flows before changes in working capital		2,242	1,236
<u>Changes in working capital</u>			
Trade and other receivables		993	(5,655)
Prepayments		7	10
Trade and other payables		(556)	2,564
Cash flows generating from/(used in) operations		2,686	(1,845)
Tax paid		(2,977)	(1,679)
Net cash flows used in operating activities		(291)	(3,524)
Investing activities			
Purchase of property, plant and equipment		(12)	-
Proceed from disposal of plant and equipment		-	1
Distribution received from investment securities		5,607	5,484
Net cash flows from investing activities		5,595	5,485
Financing activity			
Dividends paid		(2,000)	(2,000)
Net cash flows used in financing activity		(2,000)	(2,000)
Net increase/(decrease) in cash and cash equivalents		3,304	(39)
Cash and cash equivalents at beginning of financial year		1,035	1,074
Cash and cash equivalents at end of financial year		4,339	1,035

Significant non-cash transactions

During the year ended 31 December 2022, the Company received 7,008,068 units (2021: 5,658,492 units) in CapitalLand India Trust ("CLINT"), amounting to \$8.77 million (2021: \$7.95 million) as payment of base fee for the period from October 2021 to September 2022 (2021: October 2020 to September 2021) and performance fee for the period from January 2021 to December 2021 (2021: January 2020 to December 2020).

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 2022

1. CORPORATE INFORMATION

CapitaLand India Trust Management Pte. Ltd (the “Company”), formally known as Ascendas Property Fund Trustee Pte. Ltd., is a limited liability company, domiciled and incorporated in Singapore.

The registered office and principal place of business of the Company is located at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912.

The principal activities of the Company are those relating to investment advisory, property fund management and to act as fund manager and trustee for CapitaLand India Trust (“CLINT”), a business trust listed on the Singapore Exchange Securities Trading Limited.

For financial reporting purposes, the immediate, intermediate, penultimate and ultimate holding companies of the Company are CLI FM Pte. Ltd, CapitaLand Investment Limited (“CLI”), CapitaLand Group Pte. Ltd. and Temasek Holdings (Private) Limited respectively. All companies are incorporated in Singapore.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars, which is the Company’s functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand (“\$’000”) except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial period except in the current financial year, the Company has applied the new FRSs, amendments to and interpretations of FRS that are effective for annual financial period beginning on or after 1 January 2022. The adoption of these standards did not have any effect on the financial statements of the Company.

- *Amendment to FRS 116: COVID-19-Related Rent Concessions beyond 30 June 2021*
- *Amendments to FRS 103: Reference to the Conceptual Framework*
- *Amendments to FRS 16: Property, Plant and Equipment – Proceeds before Intended Use*
- *Amendments to FRS 37: Onerous Contracts – Cost of Fulfilling a Contract*
- *Annual Improvements to FRSs 2018-2020*

The Company has not early adopted the new standard, interpretations and amendments to standard changes which are effective for annual periods beginning after 1 January 2022, in preparing these financial statements. These changes are not expected to have a significant impact on the Company’s financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 New standards and interpretations not yet adopted

A number of new standards and interpretations and amendments are effective for the Company's annual period beginning 1 January 2022 and earlier application is permitted; however, the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following amendments to FRS are not expected to have a significant impact on the Company's financial statements.

- *FRS 117 Insurance Contracts and amendments to FRS 117 Insurance Contracts*
- *Disclosure of Accounting Policies (Amendments to FRS 1 and FRS Practice Statement 2)*
- *Definition of Accounting Estimates (Amendments to FRS 8)*
- *Classification of Liabilities as Current or Non-current (Amendments to FRS 1)*
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to FRS 12)*

2.4 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. The following specific recognition criteria must also be met before revenue is recognised:

(a) Management fee

Management fees comprise of fund management fee, trustee fee and performance fee which is recognised in profit or loss as and when services are rendered.

(b) Acquisition and divestment fee

Acquisition and divestment fee is recognised in profit or loss as and when services are rendered.

2.5 Other income

(a) Distribution income

Distribution income is recognised in profit or loss on the date on which the Company's right to receive payment is established in the manner intended.

(b) Government grants

Government grants related to assets are initially recognised as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. These grants are then recognised in profit or loss as "other income" on a systematic basis over the useful life of the asset. Grants that compensate the Company for expenses incurred are recognised in profit or loss as "other income" on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

(c) Interest income

Interest income is recognised as it accrues, using the effective interest rate method.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Plant and equipment

(a) Measurement

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses (Note 2.7).

The cost of an item of plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended.

(b) Depreciation

Depreciation on plant and equipment is calculated using the straight line method to allocate their depreciable amounts over the estimated useful lives as follows:

	Useful lives
Computers, furniture and equipment	3 to 5 years

The residual values, depreciation method and estimated useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each end of reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

2.7 Impairment of non-financial assets

Plant and equipment are reviewed for impairment at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the CGU on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Financial assets

(a) Initial recognition and measurement

Financial assets are recognised when, and only when, the entity becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of a third party, if the trade receivables do not contain a significant financing component at initial recognition.

(b) Subsequent measurement

(i) Financial assets at amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

(ii) Equity investments at fair value through other comprehensive income ("FVOCI")

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income. Gains or losses recognised in other comprehensive income are never reclassified from equity to profit or loss. However, the Company may transfer the FVOCI equity reserves within equity. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established.

(c) Derecognition

Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial assets to another party without retaining control or transfers substantially all the risks and rewards of the assets. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(d) Impairment

The Company assesses on a forward looking basis the expected credit losses ("ECLs") associated with its financial assets carried at amortised cost. For trade receivables, the Company applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables. For other receivables, the general approach is applied. A loss allowance is recognised based on 12-month ECL if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime ECL will be calculated and recognised.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Financial assets (continued)

(d) Impairment (continued)

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowance for financial assets measured at amortised cost, are deducted from the gross carrying amount of these assets.

(e) Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

2.9 Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

(b) Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit 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.

(c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.11 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities) are based on quoted market prices at the end of reporting period. The quoted market prices used for financial assets held by the Company are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts due to their short-term nature.

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

2.12 Income taxes

Tax expense comprises current and deferred tax. Tax expense is recognised in the profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Income taxes (continued)

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

2.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.14 Employee compensation

(a) Defined contribution plans

Contribution to post-employment benefits under defined contribution plans are recognised as an expense in profit or loss in the period during which the related services are rendered by employees.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of reporting period.

(c) Employee compensation scheme

The Company operates the following share-based employee compensation schemes: CLINTMPL Performance Unit Plan 2019, and CLINTMPL Restricted Unit Plan 2019 (collectively referred to as the "CLINTMPL Unit Plans").

For cash-settled share-based payment transactions, the fair value of the services received is recognised as an expense with a corresponding increase in liability. The fair value of the services received is determined by reference to the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised for the period.

Notes to the Financial Statements

For the financial year ended 31 December 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Employee compensation (continued)

(d) Share-based payment

For equity-settled share-based payment transactions, the fair value of the services received is recognised as an expense with a corresponding increase in equity over the vesting period during which the employees become unconditionally entitled to the equity instrument. The fair value of the services received is determined by reference to the fair value of the equity instrument granted at the grant date. At each reporting date, the number of equity instruments that are expected to be vested are estimated. The impact on the revision of original estimates is recognised as an expense and as a corresponding adjustment to equity over the remaining vesting period, unless the revision to original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimate due to market conditions. The Group recognises the effect of modification that increase the total fair value of the share-based payment arrangement. The incremental fair value granted is included in the measurement of the amount recognised for services received over the period from modification date until the date when the modified equity instruments vest.

For cash-settled share-based payment transactions, the fair value of the goods or services received is recognised as an expense with a corresponding increase in liability. The fair value of the services received is determined by reference to the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

2.15 Currency translation

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of an investment in equity securities designated as FVOCI are recognised in other comprehensive income.

2.16 Cash and cash equivalents

For the purpose of presentation in the cash flow statement, cash and cash equivalents comprise cash at bank with financial institutions which are subject to an insignificant risk of change in value, but exclude balances which are subjected to restriction.

2.17 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against share capital.

2.18 Dividend

Interim dividends are recorded in the financial year in which the dividends are declared payable. Final dividends are recorded in the financial year in which the dividends are approved by the shareholders.

Notes to the Financial Statements

For the financial year ended 31 December 2022

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's 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. Management is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. REVENUE

	2022 \$'000	2021 \$'000
Fund management fee from CLINT	11,539	10,566
Trustee fee from CLINT	462	417
Performance fee from CLINT	6,386	5,974
Acquisition fee from CLINT	1,037	1,306
	19,424	18,263

5. OTHER INCOME

	2022 \$'000	2021 \$'000
Distribution income from CLINT	5,607	5,484
Government grants	12	33
Interest income	53	3
	5,672	5,520

6. EMPLOYEE COMPENSATION

	2022 \$'000	2021 \$'000
Salaries, wages and employee benefits	3,569	4,419
Employer's contributions to defined contribution plans including Central Provident Fund	412	259
Unit-based expenses	818	824
Share-based expenses:		
– Equity-settled	153	55
– Cash-settled	46	41
	4,998	5,598

7. OTHER OPERATING EXPENSES

	2022 \$'000	2021 \$'000
Professional fees		
– related company	2,976	2,273
– non-related parties	10	4
Insurance	81	81
Directors' fees	546	650
Rental expenses recharged by a related company	–	272
Others	126	145
	3,739	3,425

Notes to the Financial Statements

For the financial year ended 31 December 2022

8. TAX EXPENSES

(a) Income tax expenses

	2022 \$'000	2021 \$'000
Tax expense attributable to profit is made up of:		
Current tax expense		
– based on current year's results	1,892	1,666
– Over provision in respect of prior years	–	(15)
	<u>1,892</u>	<u>1,651</u>
Deferred tax expense		
– origination and reversal of temporary differences	1	(9)
Income tax expenses recognised in profit or loss	<u>1,893</u>	<u>1,642</u>

A reconciliation between tax expenses and the product of accounting profit multiplied by the applicable corporate tax rate for the financial year ended 31 December 2022 is as follows:

	2022 \$'000	2021 \$'000
Profit before tax	<u>15,838</u>	<u>14,107</u>
Income tax using the statutory tax rate of 17% (2021: 17%)	2,692	2,398
Effect of partial tax exemption	(17)	(17)
Tax effect of non-deductible expenses	172	214
Income not subject to tax	(954)	(938)
Over provision in respect of prior years	–	(15)
Income tax expenses recognised in profit or loss	<u>1,893</u>	<u>1,642</u>

(b) Deferred tax assets

	2022 \$'000	2021 \$'000
Plant and equipment	(2)	*
Provisions	12	11
	<u>10</u>	<u>11</u>

Movements in the deferred tax account are as follows:

	Balance as at 1 January 2021 \$'000	Recognised in profit or loss \$'000	Balance as at 31 December 2021 \$'000	Recognised in profit or loss \$'000	Balance as at 31 December 2022 \$'000
Plant and equipment	(1)	1	*	(2)	(2)
Provisions	2	9	11	1	12
	<u>1</u>	<u>10</u>	<u>11</u>	<u>(1)</u>	<u>10</u>

* Less than \$1,000

Notes to the Financial Statements

For the financial year ended 31 December 2022

9. PLANT AND EQUIPMENT

Computers, furniture and equipment	2022 \$'000	2021 \$'000
Cost		
Balance at beginning of financial year	47	49
Additions	12	*
Disposals	-	(2)
Balance at end of financial year	<u>59</u>	<u>47</u>
Accumulated depreciation		
Balance at beginning of financial year	45	42
Depreciation charge	3	4
Disposals	-	(1)
Balance at end of financial year	<u>48</u>	<u>45</u>
Net book value		
Balance at end of financial year	<u>11</u>	2
Balance at beginning of financial year	<u>2</u>	7

* Less than \$1,000

10. INVESTMENT SECURITIES

	2022 \$'000	2021 \$'000
Balance at beginning of financial year	95,219	85,024
Fair value changes recognised in equity (Note 16)	(20,240)	2,561
Additions	8,772	7,952
Disposals	(955)	(318)
Balance at end of financial year	<u>82,796</u>	<u>95,219</u>

11. TRADE AND OTHER RECEIVABLES

	2022 \$'000	2021 \$'000
Trade receivables		
– CLINT	9,504	9,597
Advances		
– other related company	8,639	9,417
Other receivables		
– CLINT	114	-
– immediate holding company	1	-
– other related companies	10	56
	<u>125</u>	<u>56</u>
	<u>18,268</u>	<u>19,070</u>

Trade receivables are non-interest bearing and are to be settled in the form of cash and/or units from CLINT as the Company elects. As at 31 December 2022, trade receivables arising from CLINT amounting to \$4,612,000 (2021: \$4,420,000) are arranged to be settled via the issuance of units by CLINT.

Advances to other related company are unsecured, bear interest rate of 0.04% to 2.43% (2021: 0.01% to 0.09%) per annum at the reporting date and are repayable on demand in cash. Interest rate is repriced on a monthly basis.

Other receivables from CLINT, immediate holding company and other related companies are unsecured, interest-free and repayable on demand in cash.

Notes to the Financial Statements

For the financial year ended 31 December 2022

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

Expected credit losses

At the end of the reporting year, there is no allowance for doubtful debt arising from these outstanding balances as the ECL is immaterial.

12. CASH AND CASH EQUIVALENTS

	2022 \$'000	2021 \$'000
Cash at bank	4,339	1,035

13. TRADE AND OTHER PAYABLES

	2022 \$'000	2021 \$'000
Current		
Trade payable	59	316
Other payables		
– immediate holding company	128	454
– intermediate holding company	13	513
– CLINT	–	46
– other related companies	581	280
– non-related parties	1,702	1,384
	2,424	2,677
Accrued operating expenses	723	706
	3,206	3,699
GST payables	145	178
	3,351	3,877

Other payables to immediate holding company, intermediate holding company, CLINT and other related companies are unsecured, interest-free and repayable on demand in cash.

Other payables to non-related parties represent mainly accrued employee bonus and sundry payables.

Included in accrued operating expenses is an amount of \$680,000 (2021: \$650,000) that relates to Directors' fees for the current financial year.

Notes to the Financial Statements

For the financial year ended 31 December 2022

14. EMPLOYEE BENEFITS

	2022 \$'000	2021 \$'000
Current liability		
Employee benefits	681	673
Non-current liability		
Employee benefits	451	626
	1,132	1,299

The APFT Performance Unit Plan 2019 and the APFT Restricted Unit Plan 2019 (collectively referred to as the "APFT Unit Plans") were approved by the Board of Directors of APFT on 25 July 2019. With effect from 27 September 2022, APFT has been renamed to CapitalLand India Trust Management Private Limited ("CLINTMPL"), accordingly, the APFT Units Plans have been renamed to CLINTMPL Performance Unit Plan 2019 and CLINTMPL Restricted Unit Plan 2019 (collectively referred to as the "CLINTMPL Unit Plans").

The Board of CLINTMPL has instituted a set of unit ownership guidelines for senior management who receive units under the CLINTMPL Unit Plans. Under these guidelines, members of the senior management team are required to retain a portion of the total number of units received under the CLINTMPL Unit Plans, which will vary according to their respective job grade and salary.

During the financial year ended 31 December 2022, the Company recognised unit plan expenses in relation to the CLINTMPL Unit Plans of \$818,000 (2021: \$824,000) in the profit or loss.

CLINTMPL Performance Unit Plan 2019

This relates to compensation costs of the Company's Performance Unit Plan that reflects the benefits accruing to the participants over the service period to which the performance criteria relate.

The final number of units to be released will depend on the achievement of pre-determined relative total unitholder return targets over a three-year performance period. No unit will be released if the threshold targets are not met at the end of the performance period. Conversely, if superior targets are met, up to a maximum of 200% of the baseline award could be released. Participants received fully paid units at no costs upon vesting.

CLINTMPL Restricted Unit Plan 2019

This relates to compensation costs of the Restricted Unit Plans of CLINTMPL that reflects the benefits accruing to the participants over the service period to which the performance criteria relate.

The final number of units to be released will depend on the achievement of pre-determined distribution per unit and net property income targets over a one-year performance period. No unit will be released if the threshold targets are not met at the end of the performance period. Conversely, if superior targets are met, up to a maximum of 150% of the baseline award could be released. The units will vest over three years. Participants receive fully paid units at no cost upon vesting. An additional number of units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed forgone due to the vesting mechanism of the Restricted Unit Plan, will also be released upon the final vesting.

Units vested to participants will be delivered using existing units held by the Company. No new units will be issued by CLINT to meet the obligations under the CLINTMPL Unit Plans.

During the year ended 31 December 2022, 726,854 units amounting to \$734,000 (2021: 186,936 units, \$182,000) were issued to employees as part of the CLINTMPL Unit Plans.

Notes to the Financial Statements

For the financial year ended 31 December 2022

14. EMPLOYEE BENEFITS (CONTINUED)

Share Plans of the CapitaLand Group Pte. Ltd.

The Company's employees participate in the share-based incentive plans of CapitaLand Group Pte. Ltd. which comprise the Performance Share Plan and Restricted Share Plan (CL Share Plan). The Share Plans are administered by CapitaLand Group Pte. Ltd.'s Executive Resource and Compensation Committee (CL ERCC).

Pursuant to the Internal Restructuring of CL, CL ERCC has approved the following in relation to the unvested share awards payout to CL Share Plans as at 17 September 2021:

- a) The outstanding contingent CapitaLand Performance Share Plans (CL PSP) awards granted to the employees will be replaced by awards under the CLI Share Plan (which were granted on 1 October 2021) in accordance with a conversion ratio and released in accordance with the original vesting schedule. The number of awards to be granted have also been finalised at 200% of the baseline awards.
- b) The CapitaLand Restricted Share Plans (CL RSP) awards will be converted to cash-settled based awards with an implied value of S\$4.102 per CL share. Contingent awards granted under the CL RSP have been finalised at 150% of the baseline awards based on the same implied value. The cash payment will be released to eligible employees according to the original vesting schedule of respective CL RSP award.

i) CapitaLand Performance Share Plans

This relates to compensation costs of the CL PSP reflecting the benefits accruing to the employees of the Company over the service period to which the performance criteria relate.

Movements in the number of shares outstanding under CL PSP in 2021 were summarised below:

	2021 ('000)
At 1 January	–
Granted	354
Cancelled and replaced with CLI Share Plans on 1 October 2021	(354)
At 31 December	–

The fair values of the shares under CL PSP were determined using Monte Carlo simulation method which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory at measurement date. The fair values and assumptions are set out below:

Year of award	2021
<i>Weighted average fair value of shares and assumptions</i>	
Weighted average fair value at measurement date	\$3.79
Expected volatility of CL's share price based on 36 months closing share price prior to grant date	24.42%
Average volatility of companies in the peer group based on 36 months prior to grant date	29.63%
Share price at grant date	\$3.77
Grant date	12 April 2021
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	0.70%
Expected dividend yield over the vesting period	2.95% to 4.26%
Initial total shareholder return (TSR) performance based on historical TSR performance of CLI and each company in the peer group	27.86%
Average correlation of CLI's TSR with those companies in the peer group	57.26%

Notes to the Financial Statements

For the financial year ended 31 December 2022

14. EMPLOYEE BENEFITS (CONTINUED)

Share Plans of the CapitaLand Group Pte. Ltd. (continued)

b) (continued)

ii) CapitaLand Restricted Share Plans

This relates to compensation costs of the CL RSP reflecting the benefits accruing to the employees over the service period to which the performance criteria relate.

Pursuant to the Internal Restructuring of CL, the existing unvested equity-settled awards granted under the CapitaLand Group Pte. Ltd.'s RSP 2010 and RSP 2020 were converted to cash-settled awards on 1 October 2021 and awards will be released in accordance with the original vesting schedule of the awards granted pursuant to the CapitaLand Group Pte. Ltd.'s RSP 2010 and RSP 2020 awards.

Due to the modification of the share plan, the incremental fair value granted is included in the measurement of the amount recognised for services received over the period from the grant date until the date when the RSP awards are vested and will be amortised to profit or loss accordingly over the remaining vesting period.

Movements in the number of shares outstanding under CL RSP were summarised below:

	2022 ('000)	2021 ('000)
At 1 January	34	–
Granted	–	34
Released [@]	(14)	–
At 31 December	20 [^]	34 [^]

[^] Represents CL RSP converted to cash-settled. The cash payment will be released to eligible employees according to the original vesting schedule of respective CL RSP award.

[@] The number of shares released during the year was 14,191 (2021: nil) were cash-settled.

The fair values of the shares granted to employees were determined using Discounted Cashflow method at the measurement date. The fair values and assumptions are set out below:

Year of award	2021
<i>Weighted average fair value of shares and assumptions</i>	
Weighted average fair value at measurement date	\$3.52
Share price at grant date	\$3.77
Grant date	12 April 2021
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	0.42% to 0.72%

Share Plans of CapitaLand Investments Limited

CapitaLand Investments Limited Executive Resource and Compensation Committee (CLI ERCC) was formed on 3 July 2021 and has been designated as the Committee responsible for the administration of the Share Plans.

The ERCC of CLI has instituted a set of share ownership guidelines for members of senior management who receive shares under the CLI RSP and CLI PSP. Under these guidelines, members of senior management are required to retain a portion of the total number of CLI's shares received under the aforementioned share-based plans, which will vary according to their respective job grade and salary.

Notes to the Financial Statements

For the financial year ended 31 December 2022

14. EMPLOYEE BENEFITS (CONTINUED)

Share Plans of CapitaLand Investments Limited

i) Special CLI Founders Performance Share Plan Award (Special PSP)

The Special PSP award granted to selected key executives is conditional on a performance target based on longer term wealth creation objectives. Participants will receive a specified number of performance shares after the end of the performance period conditional on achievement of performance conditions.

The ERCC of CLI grants an initial number of shares (baseline award) which are conditional on the target of CLI's share price expressed as a multiple of the CLI Group's net asset value per share (Price/NAV) set for a five-year performance period. A specified number of shares will only be released by the ERCC to the recipients at the end of the qualifying performance period, provided the pre-specified minimum target is achieved. No share will be released if the minimum target is not met at the end of the performance period. On the other hand, if the superior target is met, more shares than the baseline award can be delivered up to a maximum of 300% of the baseline award. In the event of early achievement of the targets within the first three years of the performance period, a maximum of 20% to 50% of the baseline award can be released after the third year, with any balance in excess of 50% of the baseline award to be released only after the fifth year. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients can receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

A one-time special contingent award was granted to selected key executives in the Company as at 1 October 2021. As a hiring strategy, such one-time special contingent award may (at the absolute discretion of the ERCC) also be extended to key executives joining the Company and/or its group companies on a date after 1 October 2021 but not later than 19 September 2022.

This relates to the compensation costs of the CLI's Special PSP granted under CLI PSP 2021 reflecting the benefits accruing to the employees over the service period to which the performance criteria relate.

Movements in the number of shares outstanding under Special PSP were summarised below:

	2022 ('000)	2021 ('000)
At 1 January	354	–
Granted/Modified on 1 October 2021	–	354
At 31 December	<u>354</u>	<u>354</u>

The final number of shares to be released will depend on the achievement of pre-determined target of the CLI's share price over the CLI Group's net asset value per share (Price/NAV) over a five-year performance period. No share will be released if the minimum target is not met at the end of the performance period. On the other hand, if the superior target is met, more shares than the baseline award can be delivered up to a maximum of 300% of the baseline award. In the event of early achievement of the targets within the first three years of the performance period, a maximum of 20% to 50% of the baseline award can be released after the third year, with any balance in excess of 50% of the baseline award to be released only after the fifth year. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients can receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

The fair values of the shares are determined using Monte Carlo simulation method which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory at measurement date. The fair values and assumptions are set out below:

Notes to the Financial Statements

For the financial year ended 31 December 2022

14. EMPLOYEE BENEFITS (CONTINUED)

i) Special CLI Founders Performance Share Plan Award (Special PSP) (continued)

Year of award	2022	2021
<i>Weighted average fair value of shares and assumptions</i>		
Weighted average fair value at measurement date	\$3.52 to \$3.90	\$2.00 to \$2.24
Expected volatility of CLI's share price assuming the average volatility of 36 months closing unit price from all CLI REITs	24.67% to 26.46%	26.41% to 26.43%
Share price at grant date	\$3.66 to \$4.12	\$3.34 to \$3.46
Grant date	4 January 2022, 4 May 2022 and 1 June 2022	1 October 2021 and 1 November 2021
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	1.11% to 2.51%	0.86% to 1.32%
Expected dividend yield over the vesting period	3.61% to 4.22%	3.66% to 3.71%
Net asset value per share	\$2.82 to \$3.99	\$2.82 to \$3.99

ii) CLI Restricted Share Plans – Equity-settled/Cash-settled

This relates to compensation costs of the CLI's RSP 2021 reflecting the benefits accruing to the employees over the service period to which the performance criteria relate.

Movements in the number of shares outstanding under CLI RSP were summarised below:

	2022 ('000)	2021 ('000)
At 1 January	34	–
Granted/Modified on 1 October 2021	–	34
At 31 December	34	34

The fair values of the shares granted to employees are determined using Discounted Cashflow method at the measurement date. The fair values and assumptions are set out below:

Year of award	2022
<i>Weighted average fair value of shares and assumptions</i>	
Weighted average fair value at measurement date	\$3.84
Share price at grant date	\$4.12
Grant date	4 May 2022
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	1.72% to 2.34%

Notes to the Financial Statements

For the financial year ended 31 December 2022

15. SHARE CAPITAL

The Company's share capital comprises fully-paid up 1,000,000 (2021: 1,000,000) ordinary shares with no par value, amounting to a total of \$1,000,000 (2021: \$1,000,000).

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

16. FAIR VALUE RESERVE

Fair value reserve represents the cumulative fair value changes of financial assets at FVOCI.

17. DIVIDENDS

	2022 \$'000	2021 \$'000
Declared and paid/payable during the financial year		
Dividends on ordinary shares:		
- Final tax exempt (one-tier) dividend for financial year ended 31 December 2021 paid/payable of \$2.00 (2021: dividend for financial year ended 31 December 2020 paid/payable of \$2.00) per share	2,000	2,000
Proposed but not recognised as a liability as at end of year		
Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:		
- Final tax exempt (one-tier) dividend proposed in respect of the financial year of \$2.00 (2021: \$2.00) per share	2,000	2,000

18. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions took place between the Company and related parties at terms agreed between the parties during the financial year:

	2022 \$'000	2021 \$'000
Directors:		
- Directors' fees	680	650
Key management personnel compensation (excluding Directors' fees)		
- salaries and other employee benefits	1,922	2,114
- contribution to CPF	35	37
- share-based compensation benefits*	490	557
	2,447	2,708

* Payable by the Company in the form of units in CapitaLand India Trust under the CLINTMPL Unit Plans.

Notes to the Financial Statements

For the financial year ended 31 December 2022

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's risk management approach seeks to minimise the potential material adverse effects from these exposures. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will have on the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Currency risk

The Company's exposure to currency risk is minimal as its revenue, expenses, assets and liabilities are substantially denominated in SGD.

(ii) Equity price risk

The Company has investments in equity securities at FVOCI and is exposed to equity price risk. These securities are listed on Singapore Stock Exchange.

Sensitivity analysis for price risk

If prices for the equity securities listed in Singapore change by the percentages indicated below with all other variables including tax rates being held constant, the effects on profit after tax and equity will be as follows:

	2022		2021	
	Profit After Tax \$'000	Equity \$'000	Profit After Tax \$'000	Equity \$'000
Equity securities				
Listed in Singapore				
- increased by 25% (2021: 10%)	-	20,699	-	9,522
- decreased by 25% (2021: 10%)	-	(20,699)	-	(9,522)

(iii) Interest rate risk

The Company's exposure to market risk for changes in interest rates relates primarily to its interest-bearing advance to related company.

The Company's policy on interest rate management follows that of its intermediate holding company, CapitaLand Investment Limited. CapitaLand Investment Limited manages the interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. It actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets.

Notes to the Financial Statements

For the financial year ended 31 December 2022

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments, as reported to the management, was as follows:

	Nominal amount	
	2022	2021
	\$'000	\$'000
Variable rate instruments		
Advance to related company	8,639	9,417

Cash flow sensitivity analysis for variable rate instruments

A change of 300 basis points (2021: 5 basis points) in interest rates at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. The analysis assumed that all other variables remain constant.

	Profit or loss	
	300 bp increase	300 bp decrease
	\$'000	\$'000
2022		
Variable rate instruments		
Advance to related company	259	(259)
	5bp increase	5bp decrease
	\$'000	\$'000
2021		
Variable rate instruments		
Advance to related company	5	(5)

Notes to the Financial Statements

For the financial year ended 31 December 2022

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company has guidelines governing the process of granting credit as a service or product provider in its respective segments of business. Investments and financial transactions are restricted to counterparties that meet the appropriate credit criteria and of high credit standing.

At the reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of that class of financial instruments presented on the balance sheet.

For trade receivables, the Company adopts the policy of dealing only with customer of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. The Company considers that trade receivables from CLINT embodies low credit default probability as CLINT has a relatively healthy financial position and Management does not expect CLINT to fail to meet its obligations.

The Company assesses on a forward-looking basis the expected credit loss associated with all financial assets at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company considers that other receivables inherently embodies low credit risk as the Company deals only with high credit quality counterparties. Loss allowance on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The credit loss on these balances is subject to immaterial credit loss. Other receivables is written off when there is no reasonable expectation of recovery.

The Company held cash and cash equivalents of \$4,339,000 at 31 December 2022 (2021: \$1,035,000). Cash and cash equivalents are placed with banks and financial institutions which are regulated.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Notes to the Financial Statements

For the financial year ended 31 December 2022

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Excess cash in the Company will be transferred to a related company for efficient cash management. To meet payment obligations in a timely manner, the related company makes fund transfers back to the Company as and when the need arises.

The Company's policy on liquidity risk management follows that of its intermediate holding company, CapitaLand Investment Limited. CapitaLand Investment Limited actively manages the debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met.

The table below analyses the maturity profile of the Company's financial liabilities into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year \$'000	After 1 year but within 5 years \$'000	Total \$'000
2022			
Trade and other payables*	3,206	–	3,206
2021			
Trade and other payables*	3,699	–	3,699

* Excludes GST payables

(d) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholder, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on the debt equity ratio, which is calculated as total external borrowings divided by total equity. As at end of reporting period, the Company does not have any external borrowings.

The Company is not subject to any externally imposed capital requirements for the financial year ended 31 December 2022.

Notes to the Financial Statements

For the financial year ended 31 December 2022

20. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Fair value hierarchy

The Company categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used. The different levels have been defined as follows:

- (i) Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (ii) Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (iii) Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) Assets measured at fair value

The following table presents the assets measured at fair value at the end of the reporting period:

	Level 1 2022 \$'000	Level 1 2021 \$'000
Assets		
Financial assets		
Equity securities at FVOCI		
– Quoted equity securities	<u>82,796</u>	<u>95,219</u>

The carrying amounts of financial instruments with a maturity of less than one year approximate their fair values because of the short period to maturity. The carrying amounts of other financial assets and liabilities at amortised cost are a reasonable approximation of fair value.

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. There was no transfer between levels in the fair value hierarchy during the year.

21. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements for the financial year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Directors on 24 February 2023.

Statistics of Unitholdings

As at 28 February 2023

ISSUED AND FULLY PAID UNITS

1,165,191,357 Units (voting rights: 1 vote per Unit)

Market Capitalisation: S\$1,305,014,319 (based on closing Unit price of S\$1.12 as at 28 February 2023)

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	20	0.20	373	0.00
100 – 1,000	4,036	39.62	3,904,364	0.33
1,001 – 10,000	3,867	37.96	21,286,835	1.83
10,001 – 1,000,000	2,234	21.93	106,952,547	9.18
1,000,001 and above	29	0.29	1,033,047,238	88.66
Total	10,186	100.00	1,165,191,357	100.00

LOCATION OF UNITHOLDERS

Country	No. of Unitholders	%	No. of Units	%
Singapore	9,905	97.24	1,158,005,357	99.38
Malaysia	120	1.18	3,210,900	0.28
Others	161	1.58	3,975,100	0.34
Total	10,186	100.00	1,165,191,357	100.00

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	CLI India Pte. Ltd.	183,279,388	15.73
2	Citibank Nominees Singapore Pte Ltd	170,941,699	14.67
3	Raffles Nominees (Pte.) Limited	164,475,985	14.12
4	DBS Nominees (Private) Limited	154,144,678	13.23
5	HSBC (Singapore) Nominees Pte Ltd	99,121,740	8.51
6	DBSN Services Pte. Ltd.	83,542,132	7.17
7	CapitaLand India Trust Management Pte. Ltd.	77,375,733	6.64
8	BPSS Nominees Singapore (Pte.) Ltd.	35,504,501	3.05
9	OCBC Securities Private Limited	11,242,300	0.96
10	ABN AMRO Clearing Bank N.V.	5,968,800	0.51
11	iFAST Financial Pte. Ltd.	5,837,500	0.50
12	Phillip Securities Pte Ltd	5,643,277	0.48
13	DB Nominees (Singapore) Pte Ltd	4,627,700	0.40
14	Nomura Singapore Limited	3,533,000	0.30
15	DBS Vickers Securities (Singapore) Pte Ltd	3,177,750	0.27
16	United Overseas Bank Nominees (Private) Limited	2,884,700	0.25
17	OCBC Nominees Singapore Private Limited	2,754,200	0.24
18	Maybank Securities Pte. Ltd.	2,403,200	0.21
19	Yim Chee Chong	2,169,000	0.19
20	Heng Siew Eng	2,018,000	0.17
	Total	1,020,627,283	87.60

Statistics of Unitholdings

As at 28 February 2023

DIRECTORS' INTERESTS IN UNITS AND CONVERTIBLE SECURITIES AS AT 21 JANUARY 2023

Based on the Register of Directors' Unitholdings, the interests of Directors in Units and convertible securities issued by CLINT are as follows:

Name of Director	No. of Units		Contingent Awards of Units ¹ under the Trustee-Manager's	
	Direct Interest	Deemed Interest	Performance Unit Plan	Restricted Unit Plan
Sanjeev Dasgupta	617,525	–	0 to 885,066 ²	198,441 ^{3,4} 0 to 270,309 ^{2,4}
Alan Rupert Nisbet	–	31,800	–	–
Ernest Kan Yaw Kiong	14,840	–	–	–
Tan Soon Neo Jessica	13,370	–	–	–
Jonathan Yap Neng Tong	500,000	150,000	–	–

Notes:

- This refers to the number of Units which are the subject of contingent awards granted but not released under Trustee-Manager's Performance Unit Plan ("PUP") and Restricted Unit Plan ("RUP"). The final number of Units that will be released could range from 0% to a maximum of 200% of the baseline award under the PUP and from 0% to a maximum of 150% of the baseline award under the RUP.
- The final number of Units to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods for PUP and RUP.
- Being the unvested Units under the RUP.
- On the final vesting, an additional number of Units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of RUP, will also be released.

SUBSTANTIAL UNITHOLDERS' UNITHOLDINGS AS AT 28 FEBRUARY 2023

Based on the information available to the Trustee-Manager as at 28 February 2023, the unitholdings of Substantial Unitholders of CLINT are as follows:

Name of Substantial Unitholder	Direct	Deemed	Total	% ¹
Temasek Holdings (Private) Limited ² ("Temasek")	–	264,377,891	264,377,891	22.68
Tembusu Capital Pte. Ltd. ² ("Tembusu")	–	260,655,121	260,655,121	22.37
Bartley Investments Pte. Ltd. ² ("Bartley")	–	260,655,121	260,655,121	22.37
Mawson Peak Holdings Pte. Ltd. ² ("Mawson")	–	260,655,121	260,655,121	22.37
Glenville Investments Pte. Ltd. ² ("Glenville")	–	260,655,121	260,655,121	22.37
TJ Holdings (III) Pte. Ltd. ² ("TJHIII")	–	260,655,121	260,655,121	22.37
CLA Real Estate Holdings Pte. Ltd. ³ ("CLA")	–	260,655,121	260,655,121	22.37
CapitaLand Group Pte. Ltd. ³ ("CLG")	–	260,655,121	260,655,121	22.37
CapitaLand Investment Limited ⁴ ("CLI")	–	260,655,121	260,655,121	22.37
CLI India Pte. Ltd. ⁴ ("CLII")	183,279,388	–	183,279,388	15.72
CLI FM Pte. Ltd. ⁴ ("CLIFM")	–	77,375,733	77,375,733	6.64
CapitaLand India Trust Management Pte. Ltd. ⁴ ("CLINTMPL")	77,375,733	–	77,375,733	6.64

Notes:

- The percentage is based on 1,165,191,357 Units in issue as at 28 February 2023. The figures are rounded down to the nearest 0.01%.
- Temasek is deemed to have an interest in the units in which CLA and certain associated companies of Temasek have direct or deemed interests, by virtue of Section 4 of the Securities and Futures Act 2001 (the "SFA"). Each of Tembusu, Bartley, Mawson, Glenville, TJHIII is deemed to have an interest in the Units in which CLA is deemed to have an interest, by virtue of Section 4 of the SFA. Temasek holds 100% equity interest in Tembusu, which holds 100% of the equity interest in Bartley, which holds 100% of the equity interest in Mawson, which holds 100% of the equity interest in Glenville, which holds 100% of the equity interest in TJHIII, which holds 100% equity interest in CLA.
- CLA holds 100% equity interest in CLG. CLG holds approximately 52.65% of the issued shares in CLI. CLG is deemed to have an interest in the Units in which CLI is deemed to have an interest, by virtue of Section 4 of the SFA.
- CLI, through its subsidiaries CLII and CLIFM, is deemed to have an interest in the Units held by CLII and CLINTMPL, by virtue of Section 4 of the SFA. CLIFM is deemed to have an interest in the Units held by CLINTMPL, by virtue of Section 4 of the SFA. CLIFM is a subsidiary of CLI and holds 100% equity interest in CLINTMPL.

PUBLIC FLOAT

Based on the information available to the Trustee-Manager, approximately 77.19% of the Units in CLINT were held in the hands of the public as at 28 February 2023. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

Glossary

ACRA	Accounting and Corporate Regulatory Authority
Adjusted EBITDA	Earnings Before Interest Expenses, Tax, Depreciation and Amortisation (excluding gains/losses from foreign exchange translation and mark-to-market revaluation from settlement of loans). Earnings include interest income.
AGM	Annual General Meeting
AIGP	Ascendas India Growth Programme
AITPCL	Ascendas IT Park (Chennai) Limited
AIFMR	United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended)
ARC	Audit and Risk Committee
Arshiya Panvel	Arshiya Panvel warehouses/Arshiya Free Trade Warehousing Zone, Panvel
ASB FS	Ascendas-Firstspace
aVance Hyderabad	aVance, HITEC City, Hyderabad
aVance Pune	aVance Hinjawadi, Pune
Board	Board of Directors
BCP	Business Continuity Plan
BSBP	Balanced Scorecard Bonus Plan
BT	Business Trust
BTA	Business Trusts Act
BTR	Business Trust Regulations
CAGR	Compound Annual Growth Rate
CapitaLand	CapitaLand Group Limited
CEO	Chief Executive Officer
CESTAT	Customs Excise and Service Tax Appellate Tribunal
CFO	Chief Financial Officer
CGU	Cash Generating Units
CIS Code	Code on Collective Investment Schemes
CLI/Sponsor	CapitaLand Investment Limited
CLI IA	CLI's Internal Audit Department
CLINT/the Trust	CapitaLand India Trust
CLINTMPL/Trustee-Manager	CapitaLand India Trust Management Pte. Ltd.
Code	Code of Corporate Governance 2018
CP	CyberPearl, Hyderabad
CPF	Central Provident Fund
CPI	Consumer Price Index
CSIPL/Property Manager	CapitaLand Services (India) Private Limited
CV	CyberVale, Chennai
CY	Calendar Year
DPU	Distribution per Unit
DSRPL	Datascape Realty Private Limited
ECL	Expected Credit Losses
ERM	Enterprise Risk Management
ESG	Environment, Social and Governance
FBC	Fraud, Bribery and Corruption
FCCD	Fully & Compulsorily Convertible Debentures
FDI	Foreign Direct Investment
FTWZ	Free Trade Warehousing Zone
FY 18/19	Financial Year Ended 31 March 2019/Fiscal Year 2018/19
FY 19/20	Fiscal Year 2019/20
FY 20/21	Fiscal Year 2020/21
FY 21/22	Fiscal Year 2021/22
FY 22/23	Fiscal Year 2022/23
FY 23/24	Fiscal Year 2023/24
FY 24/25	Fiscal Year 2024/25
FY 2020	Financial Year Ended 31 December 2020 (from 1 January 2020 to 31 December 2020)
FY 2021	Financial Year Ended 31 December 2021
FY 2022	Financial Year Ended 31 December 2022
FY 2023	Financial Year Ended 31 December 2023
FY 2024	Financial Year Ended 31 December 2024

FY 2025	Financial Year Ended 31 December 2025
FY 2026	Financial Year Ended 31 December 2026
FY 2027	Financial Year Ended 31 December 2027
GDP	Gross Domestic Product
GFA	Gross Floor Area
GRI	Global Reporting Initiative
Group	CLINT and its subsidiaries
GST	Goods and Services Tax
HIPL	Hyderabad Infratech Pvt. Ltd.
HKD	Hong Kong Dollar
IC	Investment Committee
ICD	Inter-corporate deposit
ID	Independent Director
IGBC	Indian Green Building Council
IMF	International Monetary Fund
INR	Indian Rupee
IPT	Interested Person Transactions
IT	Information Technology
IT-BPM	Information Technology and Business Process Management
IT SEZ	Information Technology Special Economic Zone
ITES	Information Technology Enabled Services
ITPB	International Tech Park Bangalore
ITPC	International Tech Park Chennai, Taramani
ITPH	International Tech Park Hyderabad
ITPL	Information Technology Park Ltd
JPY	Japanese Yen
LEED	Leadership in Energy and Environmental Design
Listing Manual	The Listing Manual of SGX-ST
LOMA 1	Loma Co-Developers 1 Private Limited
MAS	Monetary Authority of Singapore
MAT	Minimum Alternative Tax
MTN	Medium Term Note
NAV	Net Asset Value
NCDs	Non-convertible Debentures
NCR	National Capital Region
NRC	Nominating & Remuneration Committee
PMA	Property Management Agreement
PSP	Performance Share Plan
PUP	Performance Unit Plan
RBI	Reserve Bank of India
RDB	Rupee Denominated Bond
REIT	Real Estate Investment Trust
ROFR	Right of First Refusal
RUP	Restricted Unit Plan
SBA	Super Built-up Area
SEZ	Special Economic Zone
SFA	Securities and Futures Act
SFRS(I)	Singapore Financial Reporting Standards (International)
SGD/\$S	Singapore Dollar
SGX/SGX-ST	Singapore Exchange Securities Trading Limited
SPV	Special Purpose Vehicle
sq ft	Square foot/feet
Trust Deed	Trust deed constituting CLINT dated 7 December 2004 (as amended, varied or supplemented from time to time)
UK	United Kingdom
US/USA	United States of America
US\$/USD	United States Dollar
USGBC	U.S. Green Building Council
VAT	Value Added Tax
VITP	VITP Private Limited
WFH	Work From Home
YoY	Year-on-year

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India: Economic and Commercial Real Estate Overview

Source: CBRE Research

INDIA POLICY OVERVIEW

According to the International Monetary Fund, the Indian economy is forecast to grow 6.8% by the end of FY 22/23. Domestic demand has recovered post COVID-19 and the Indian government has continued to roll out growth initiatives in an effort to improve domestic manufacturing and export, while also improving the liquidity and stability of the financial system.

The following are the key highlights of significant reforms:

i. Real Estate Investment Trusts (REITs)

Since April 2015¹, the Indian government has allowed REITs as eligible financial instruments under the Foreign Exchange Management Act (FEMA). Three REITs are currently listed on the India stock exchange and more listings are expected in the coming years.

In the Union Budget FY 23/24 announced in February 2023, the Indian government proposed tax changes which will impact the pay-out ratios for the India listed REITs.

ii. Special Economic Zones (SEZ) Act

The SEZ Act has been established since 2006 to promote the development of Special Economic Zones as export and manufacturing hubs. Under its provisions, the act intends to boost the competitiveness of Indian exports and facilitate investments into India. In 2019, the SEZ act was a subject of dispute at the World Trade Organization (WTO) for being inconsistent with WTO norms. Thereafter, the SEZ Sunset Clause, which resulted in new SEZ units ineligible for direct tax benefits, was enforced in March 2020 to reflect progressive changes.

Following the announcement to reform the SEZ Act in the Union Budget FY22/23, the Indian Government formulated a draft Development of Enterprise & Service Hubs (DESH) Bill, to be tabled in Parliament, which would replace the SEZ Act. The Bill is poised to enable states to become partners in the development of enterprises and service hubs, across both existing and new industrial enclaves, while being compliant with WTO standards, thereby boosting the attractiveness of SEZ space.

1 Annual Report 2015-2016, Reserve Bank of India, RBI

India: Economic and Commercial Real Estate Overview

Source: CBRE Research

INDIA INVESTMENT OVERVIEW

India attracted cumulative Foreign Direct Investment (FDI) inflow of USD 871 billion² (INR 68.9 trillion)³ from April 2000 to July 2022.



Driven by the robust recovery of the real estate sector in India post-pandemic, investments in this space grew by 32% YoY in 2022 to USD 7.8 billion. Institutional investors contributed 51% share of overall investments, followed by developers which contributed 32%. Investors focused primarily on acquisition of development sites, contributing to 48% of the overall share of investments in CY 2022, followed by investments in the office sector at 35% and retail sector at 13%. Capital inflows are expected to remain steady in the coming year, with institutional investors focused on industrial, logistics and data centre assets.

² Department of Promotion of Industry and Internal Trade (DPIIT), July 2022

³ USD = INR 79.0978

Bangalore Commercial Market Overview

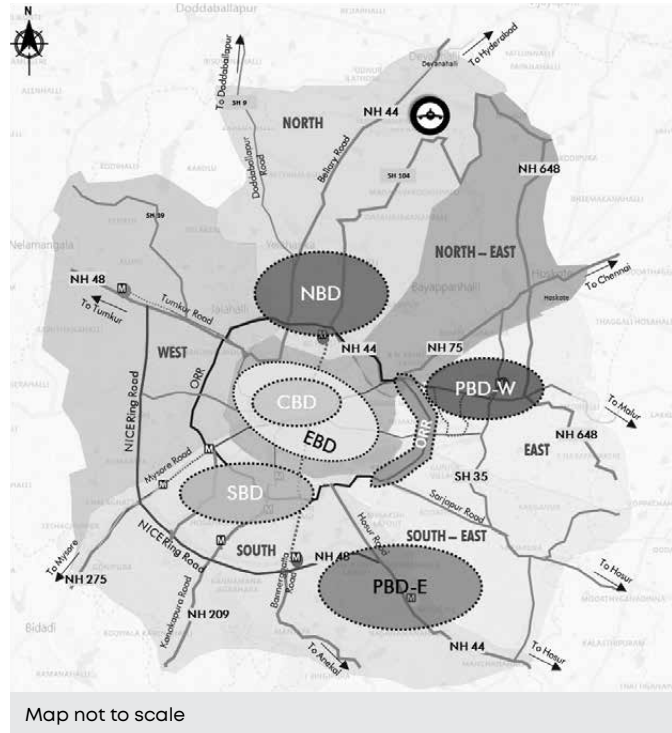
Source: CBRE Research

CITY OVERVIEW

Known as the 'Silicon Valley' of India, Bangalore is the capital city and the main economic centre of Karnataka state. Ranked as the top 8 leading technology innovation hub in the world, the city is recognised as Asia's 'Fastest growing Technopolis' and houses more than 1,000 start-ups. Bangalore has also emerged as a prominent hub for Research & Development in India, with reputed institutes like the Indian Institute of Science and Indian Space Research Organization having set their base in the city. The city is also the top software exporting city from India. Currently, the city is ranked 13th among the top 30 global cities attracting Foreign Direct Investment. The city's flourishing IT and R&D sector has been a key enabler behind the city's real estate growth.

Over the years, large campus developments by prominent IT organisations initiated commercial activity while attracting smaller IT/ITES companies to follow, establishing the prominent micro-markets of the Central Business District (CBD), Extended Business District (EBD), South Bangalore and Whitefield.

The growth of Bangalore's commercial space sector is expected to continue given the expansion of global demand for information technology, proactive government policies and availability of talent. The main demand drivers will come from the sectors of IT/ITES, aerospace research, biotechnology and established premier education institutions.



Bangalore Commercial Market Overview

Source: CBRE Research

Bangalore micro-market classification and key commercial hubs

Bangalore has been classified into different micro-markets based on the concentration and profile of development activity, as detailed below:

Micro-market	Locations Included	Description
Central Business District (CBD)	<ul style="list-style-type: none"> MG Road Richmond Road St. Marks Road 	<ul style="list-style-type: none"> Established commercial hub of the city Primarily houses non-IT tenants operating in R&D, telecom and BFSI Prominent companies include E&Y, 3M and HSBC Bank At the end of CY2022, total Grade-A office stock in CBD is at 14.9 million sq ft Vacancy at the end of CY2022 was estimated at 12.3% During CY2022, CBD witnessed rentals in the range of INR 131-136 per sq ft per month
Extended Business District (EBD)	<ul style="list-style-type: none"> Indira Nagar Koramangala Old Madras Road 	<ul style="list-style-type: none"> Spill over demand from CBD resulting from increased demand for commercial and residential spaces Tenant profile characterised by a mix of IT and non-IT occupiers Prominent companies include Intel, IBM and Goldman Sachs At the end of CY2022, total Grade-A office stock in EBD was at 26.2 million sq ft Vacancy at the end of CY2022 was estimated at 3.5% During CY2022, EBD witnessed rentals in the range of INR 115-120 per sq ft per month
South Bangalore (SBD)	<ul style="list-style-type: none"> Bannerghatta Road JP Nagar Mysore Road 	<ul style="list-style-type: none"> Tenant profile primarily characterised by IT/ITES occupiers Prominent companies include Honeywell, Mindtree and Oracle At the end of CY2022, total Grade-A office stock in SBD was at 9.9 million sq ft Vacancy at the end of CY2022 was estimated at 12.1% During CY2022, SBD witnessed rentals in the range of INR 72-77 per sq ft per month
Peripheral Business District (PBD – Whitefield)	<ul style="list-style-type: none"> Whitefield (including Mahadevapura, EPIP Zone, Varthur, Brookefield) 	<ul style="list-style-type: none"> Tenant profile primarily characterised by IT/ITES occupiers Prominent companies include Capgemini, TCS and Cognizant At the end of CY2022, total Grade-A office stock in PBD-Whitefield was at 40 million sq ft Vacancy at the end of CY2022 was estimated at 13.9% During CY2022, PBD-Whitefield witnessed rentals in the range of INR 50-55 per sq ft per month
Peripheral Business District (PBD – Others)	<ul style="list-style-type: none"> Electronic City Sarjapur Road Jigani and Thanisandra 	<ul style="list-style-type: none"> IT/ITES hub of the city Organised commercial developments that are mostly catered for IT/ITES Prominent companies include Accenture, Paypal and Synchro At the end of CY2022, total Grade-A office stock in PBD-Others was estimated at 16.2 million sq ft Vacancy at the end of CY2022 was estimated at 22.7% During CY2022, PBD-Others witnessed rentals in the range of INR 40-45 per sq ft

Bangalore Commercial Market Overview

Source: CBRE Research

Micro-market	Locations Included	Description
Outer Ring Road (ORR)	<ul style="list-style-type: none"> Marathahalli ORR Sarjapur ORR 	<ul style="list-style-type: none"> Characterised by large Grade-A developments with superior infrastructure provisions Prominent companies include TCS, AstraZeneca Pharma India and Valeo India At the end of CY2022, total Grade-A office stock in ORR was estimated at 65.1 million sq ft Vacancy at the end of CY2022 was estimated at 9.6% During CY2022, ORR witnessed rentals in the range of INR 93-98 per sq ft per month
North Bangalore (NBD)	<ul style="list-style-type: none"> Nagavara ORR Yeshwantpur Bellary Road 	<ul style="list-style-type: none"> Organised commercial developments mostly IT/ITES in nature Prominent companies include IBM, Alcatel Lucent and Philips At the end of CY2022, total Grade-A office stock in NBD was at 27.7 million sq ft Vacancy at the end of CY2022 was estimated at 18.3% During CY2022, NBD witnessed rentals in the range of INR 72-77 per sq ft per month

Source: CBRE Research

WHITEFIELD MICRO-MARKET OVERVIEW

Located in the eastern periphery of Bangalore, Whitefield has emerged as a prominent IT/ITES hub. As an established commercial suburb in Bangalore, Whitefield's commercial office market consists primarily of large-scale IT parks that house built-to-suit solutions. Prominent commercial developments include ITPB, Brigade Tech Gardens and DivyaSree Techno Park.

The operation of the metro rail link from MG Road to Baiyappanahalli (Phase I) and the flyover on the Sai Baba Ashram Road have improved connectivity of the Whitefield micro-market. The extension of the metro line from Baiyappanahalli to Whitefield will further improve the region's connectivity when completed.

The Whitefield region is expected to continue being an attractive investment destination, with strong demand levels across all real estate segments.

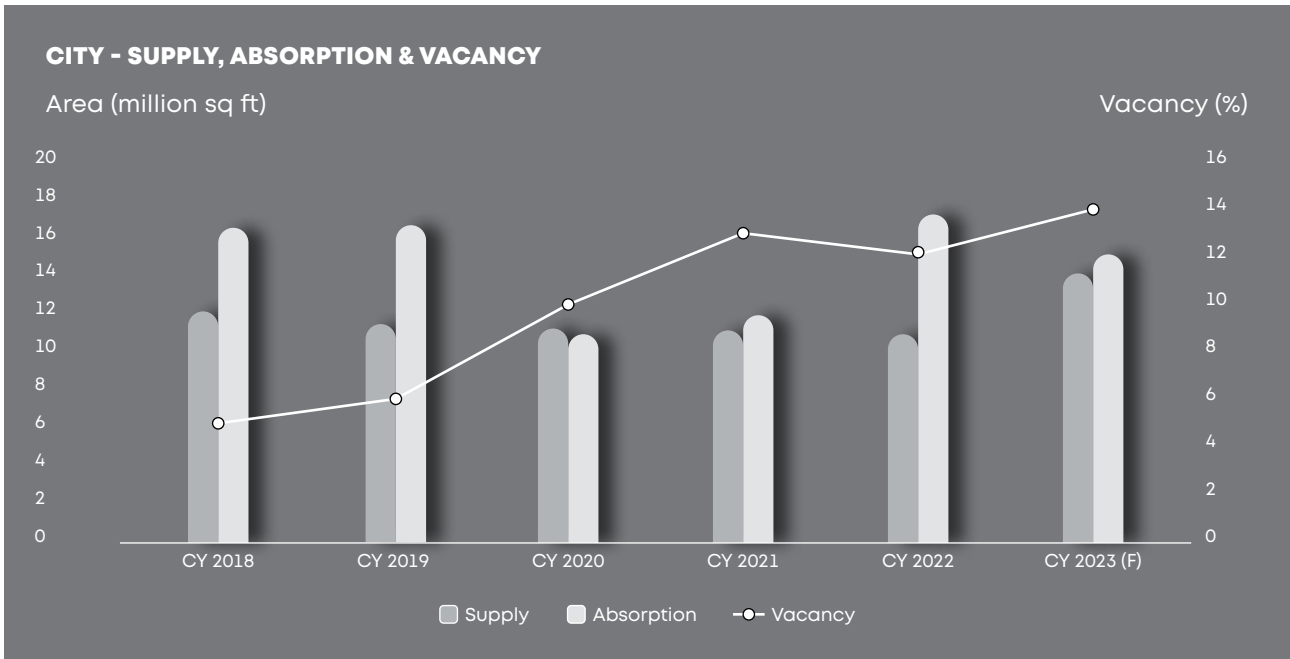
SUPPLY, ABSORPTION & VACANCY TRENDS: BANGALORE

Grade-A Office Stock Breakup	Bangalore	Whitefield
Total Completed Stock	199.9 million sq ft	40.0 million sq ft
Breakup – SEZ & Non SEZ	SEZ – 50.5 million sq ft Non SEZ – 149.4 million sq ft	SEZ – 28.5 million sq ft Non SEZ – 11.5 million sq ft

Source: CBRE Research

Bangalore Commercial Market Overview

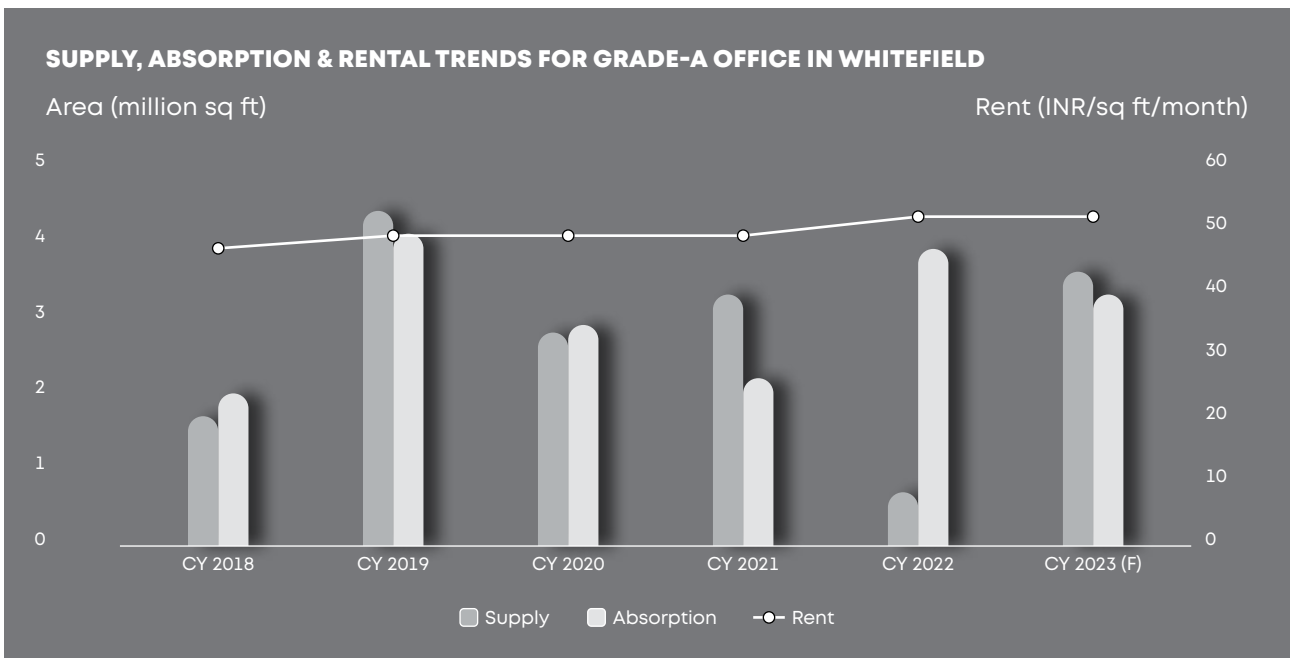
Source: CBRE Research



Source: CBRE Research

Note: Supply – refers to fresh completed supply added each year, Absorption – refers to the occupancy witnessed in each year which is reflective of both fresh and secondary leasing, The vacancy in the chart accounts for the gap between cumulative stock and occupied space in the city in any given year and includes secondary spaces (if any) being generated due to churn in the market.

SUPPLY, ABSORPTION & RENTAL TRENDS: WHITEFIELD MICRO-MARKET



Source: CBRE Research

Note: Supply – refers to new supply completed each year, Absorption – refers to the net space occupied in each year comprising of both primary and secondary leasing. Rents shown are average base rents as transacted.

Bangalore Commercial Market Overview

Source: CBRE Research

ANALYSIS OF DEVELOPMENTS IN WHITEFIELD

Current Commercial Developments in Whitefield

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
Bagmane Solarium City - Argon (North Tower)	Bagmane Developers	2022	0.7	10-15%	Schneider Electric
Salarpuria Knowledge Court	Salarpuria	2021	1.1	10-15%	Harman International
Primeco Union City	SJR PrimeCorp	2021	1.0	20-25%	Gavs Technologies
Brigade Tech Gardens (Four Towers – C1, C2, C3, C4)	Brigade Group	2020	1.8	35-40%	First Source, Fossil, KPIT Cummins
Brigade Southfield	Brigade Group	2020	0.4	0-5%	ABB
Brigade Tech Gardens (Two Towers – B1, B2)	Brigade Group	2019	1.2	5-10%	First Abu Dhabi Bank, Manhattan Associates
Prestige Technostar	Prestige Group	2019	1.1	0-5%	PPD, Simpliwork

Source: CBRE Research

Upcoming Commercial Developments in Whitefield

Building Name	Developer	Expected Completion	Leasable Area (million sq ft)
Bagmane Solarium City - Helium (North Tower)	Bagmane Developers	2023	0.6
Raheja Inorbit	K Raheja Corp	2023	0.7
MFAR Wilshire III	MFAR	2023	0.4
Maruthi Onyx	Maruthi Group	2023	0.3
Capitol Towers	Sumadhura Group	2024	1.4
Kalyani Camellia	Kalyani Developers	2024	0.5

Source: CBRE Research

Bangalore Commercial Market Overview

Source: CBRE Research

Current Retail Developments in Whitefield

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
Brigade Uptown	Brigade Developers	2022	0.3	30-35%	PVR, Pantaloons, Reliance Trends
Nexus Shantiniketan	Prestige Group	2018	0.6	2-5%	Cinapolis, Home Center
Phoenix Market City	Phoenix	2011	0.9	2-5%	Marks and Spencer's, PVR
Nexus Neighborhood Mall (Forum Value Mall)	Prestige Group	2009	0.2	5-10%	Inox, Unlimited

Source: CBRE Research

OUTLOOK

Real estate demand in Bangalore remains strong, with approximately 17.2 million sq ft of office space absorbed in 2022, representing a steep rise of 45% YoY, while fresh supply dropped marginally by 2% YoY. CBRE expects that vacancy rates are expected to marginally increase to approximately 13.6% in 2023.

Overall, the real estate sector in Bangalore is anticipated to continue to remain stable through 2023, with absorption levels expected to remain strong, and focused on ORR, Whitefield and North Bangalore.

Chennai Commercial Market Overview

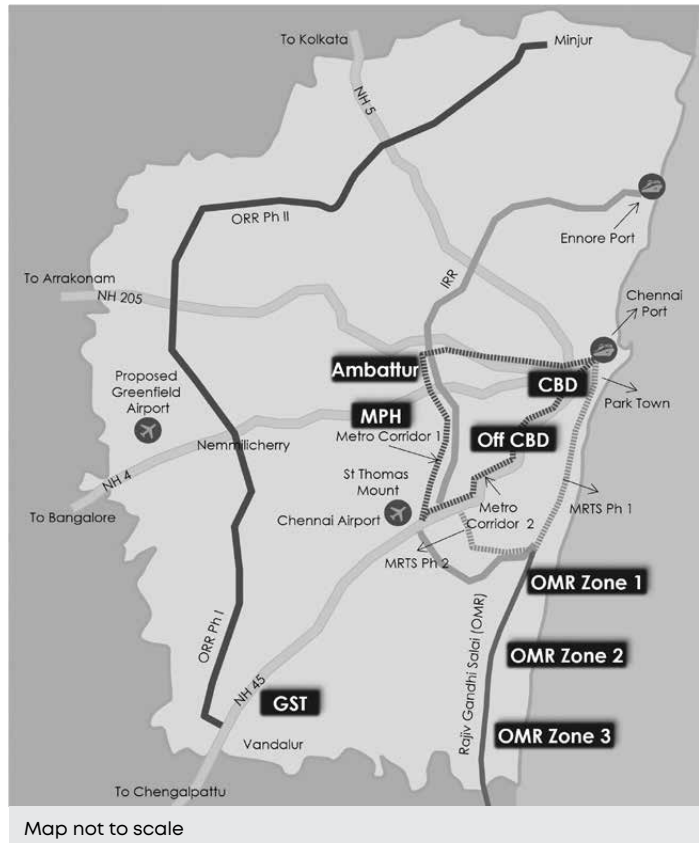
Source: CBRE Research

CITY OVERVIEW

Chennai is the capital of the State of Tamil Nadu. It is the gateway to South India, famous for its traditional culture, temples and a long coastline.

Chennai is amongst the most developed cities in the country. Its primary economic drivers include the automobile, manufacturing and IT sectors. The city is also well known for its educational institutions, medical infrastructure and quality of manpower. Some of the key industrial establishments in the city include Hyundai Motor Company, Saint Gobain Glass and TVS Industries. The city is also a popular destination for MNCs, with BMW, Flextronics, and Nissan establishing their large-scale manufacturing units over the years.

The city is also well known for its educational institutions, medical infrastructure, and high-quality manpower. With a key focus on infrastructure development, Chennai has established excellent connectivity to major business hubs through its development of road, rail, sea and air transport infrastructure, and remains an attractive destination for firms in the IT, engineering and manufacturing, and BFSI sectors.



Chennai Commercial Market Overview

Source: CBRE Research

Chennai micro-market classification and key commercial hubs

Chennai has been classified into different micro-markets based on the concentration and profile of development activity, as detailed below:

Micro-market	Locations Included	Description
Central Business District (CBD)	<ul style="list-style-type: none"> • Anna Salai • Nungambakkam High Road • Dr. Radhakrishnan Salai 	<ul style="list-style-type: none"> • Most preferred market for front end office for MNCs including FMCG firms, consultancy & home-grown corporates • High demand for flexible workspace solutions and fitted-out offices • Prominent companies include Cholamandalam Investment, Workafella and Work EZ • At the end of CY2022, total Grade-A office stock in CBD was at 9.8 million sq ft • Vacancy at the end of CY2022 was estimated at 14.5% • During CY2022, CBD witnessed rentals in the range of INR 80-90 per sq ft per month
Secondary Business District (SBD)	<ul style="list-style-type: none"> • T. Nagar • Anna Nagar • Adyar 	<ul style="list-style-type: none"> • Development in the region comprises of mix of Grade-A and Grade-B developments • Notable space occupiers in the zone include banks and financial institutions, insurance companies and automobile showrooms • Prominent companies include Estavia Infotech and Anasup Consulting • At the end of CY2022, total Grade-A office stock in SBD was at 8.7 million sq ft • Vacancy at the end of CY2022 was estimated at 8.1% • During CY2022, SBD witnessed rentals in the range of INR 70-80 per sq ft per month
Peripheral Areas (PBD)	<ul style="list-style-type: none"> • Rajiv Gandhi Salai (OMR Zone 1, OMR Zone 2, OMR Zone 3) • Grand Southern Trunk Road (GST Road) • Perungudi 	<ul style="list-style-type: none"> • Houses large-scale IT parks and SEZ developments • Prominent companies include Accenture, Tata Consultancy Services and Infosys • At the end of CY2022, total Grade-A office stock in PBD was at 44.6 million sq ft • Vacancy at the end of CY2022 was estimated at 18.3% • During CY2022, PBD witnessed rentals in the range of INR 35-95 per sq ft per month
Suburban Areas	<ul style="list-style-type: none"> • Velachery • Ambattur • Mount Poonamallee 	<ul style="list-style-type: none"> • Primarily comprises of larger-sized Grade-A developments • IT/ITES companies and back-end operations of financial institutions are some of the notable occupiers in the zone • Prominent companies include Barclays, Citicorp and XM Software • At the end of CY2022, total Grade-A office stock in Suburban areas was at 16.4 million sq ft • Vacancy at the end of CY2022 was estimated at 20.8% • During CY2022, Suburban areas witnessed rentals in the range of INR 35-40 per sq ft per month

Source: CBRE Research

Chennai Commercial Market Overview

Source: CBRE Research

RAJIV GANDHI SALAI OVERVIEW

Also known as Old Mahabalipuram Road (OMR), the micro-market is approximately 45 km long and predominantly characterised by the presence of numerous IT parks and campuses of large IT corporates. The market has evolved into one of the most preferred office space locations for the IT/ITES segment. This has resulted in the concentration of prominent IT/ITES and SEZ developments including ITPC, Ramanujan IT SEZ (TRIL IT Park) and Brigade WTC. Strong occupier interest is expected to continue in this micro-market due its cost-effective and high-quality spaces.

GRAND SOUTHERN TRUNK (GST) ROAD OVERVIEW

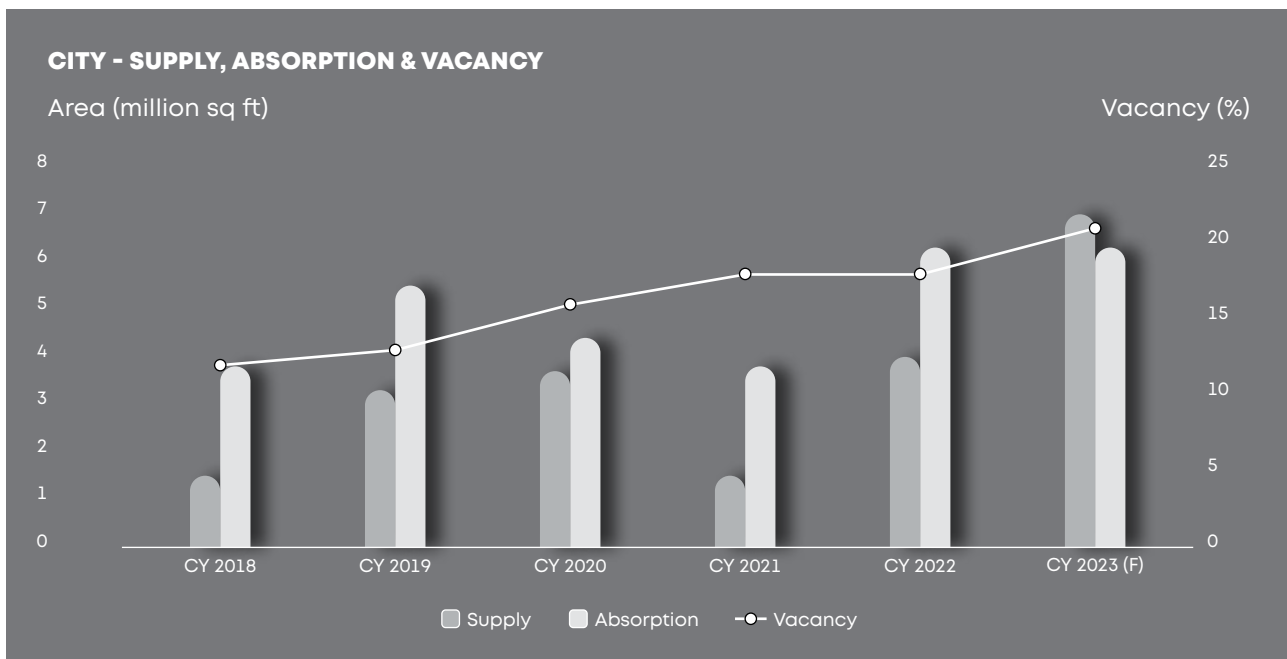
Also known as National Highway 32 (NH-32), the GST road is characterised by the presence of large tracts of vacant land parcels, as well as large industrial and IT developments including Mahindra World City, SIDCO Maraimalai Nagar Industrial Estate, and Shriram Gateway.

The micro-market comprises of three major SEZ sectors: IT Services and Manufacturing, Auto Ancillaries, and Apparel and Fashion. Prominent occupiers in these SEZ sectors include Infosys Technologies, TVS, Roverco Apparels. The micro-market also includes a Domestic Tariff Area (DTA) with prominent occupiers like BMW India, Mahindra & Mahindra, and Lincoln Electric.

SUPPLY, ABSORPTION & VACANCY TRENDS: CHENNAI

Grade-A Office Stock Breakup	Chennai	Rajiv Gandhi Salai	GST Road
Total Completed Stock	79.5 million sq ft	40.6 million sq ft	4.0 million sq ft
Breakup – SEZ & Non SEZ	SEZ – 25.6 million sq ft Non SEZ – 53.9 million sq ft	SEZ – 14.1 million sq ft Non SEZ – 26.5 million sq ft	SEZ – 3.9 million sq ft Non SEZ – 0.1 million sq ft

Source: CBRE Research



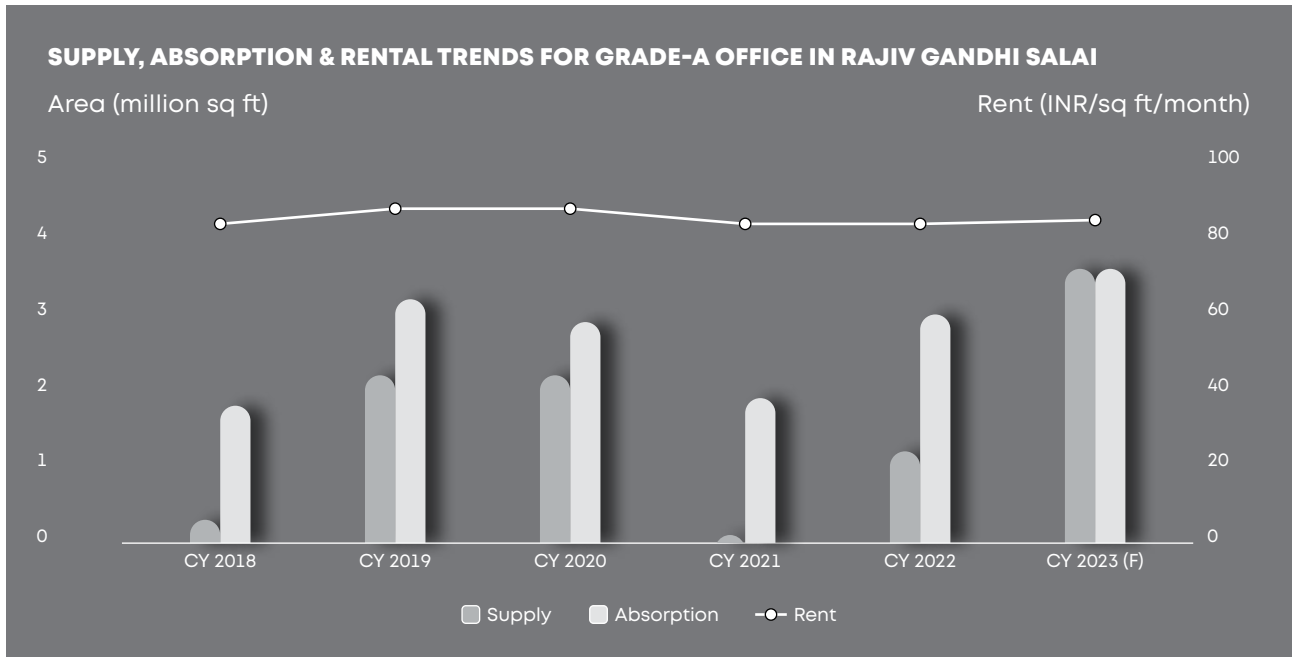
Source: CBRE Research

Note: Supply – refers to fresh completed supply added each year, Absorption – refers to the occupancy witnessed in each year which is reflective of both fresh and secondary leasing, The vacancy in the chart accounts for the gap between cumulative stock and occupied space in the city in any given year and includes secondary spaces (if any) being generated due to churn in the market.

Chennai Commercial Market Overview

Source: CBRE Research

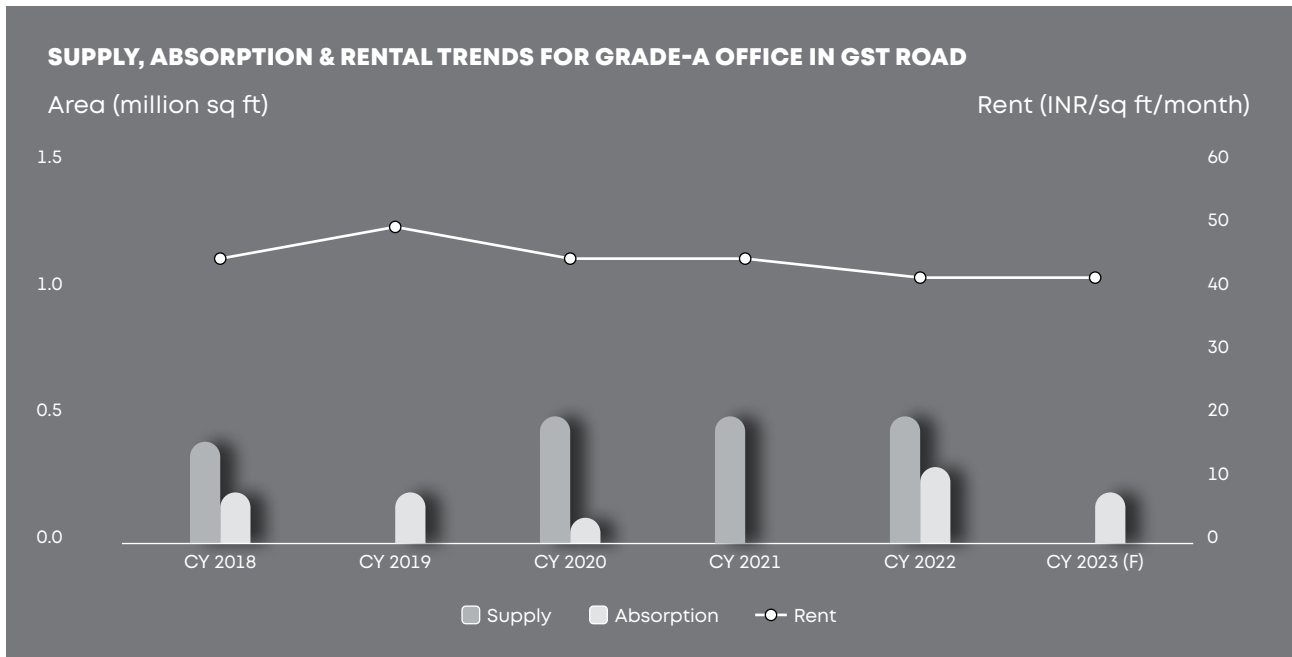
SUPPLY, ABSORPTION & RENTAL TRENDS: RAJIV GANDHI SALAI MICRO-MARKET



Source: CBRE Research

Note: Supply – refers to new supply completed each year, Absorption – refers to the net space occupied in each year comprising of both primary and secondary leasing. Rents shown are average base rents as transacted.

SUPPLY, ABSORPTION & RENTAL TRENDS: GST MICRO-MARKET



Source: CBRE Research

Note: Supply – refers to new supply completed each year, Absorption – refers to the net space occupied in each year comprising of both primary and secondary leasing. Rents shown are average base rents as transacted.

Chennai Commercial Market Overview

Source: CBRE Research

ANALYSIS OF DEVELOPMENTS IN RAJIV GANDHI SALAI AND GST ROAD

Current Commercial Developments in Rajiv Gandhi Salai

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
World Trade Center	Brigade Group	2020	2.1	30-35%	McKinsey, Caterpillar
TRIL Infopark Ltd	Tata Realty	2016	4.5	20-25%	TCS, Amazon, Cognizant
Global Infocity	Shapoorji and Pallonji	2015	2.6	15-20%	HSBC, Amazon, Freshworks
Millennia Business Park I & II	Brookfield	2009	1.5	0-5%	Verizon, Aviva, Omega Health

Source: CBRE Research

Upcoming Commercial Developments in Rajiv Gandhi Salai

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)
DLF Downtown - Phase I,II,III	DLF	2023-2024	2.8

Source: CBRE Research

Current Commercial Developments in GST Road

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
Gateway IT Park	Xander Group	2008-21	3.1	45-50%	Accenture, Tech Mahindra Satyam, Redington

Source: CBRE Research

Upcoming Commercial Developments in GST Road

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)
Gateway IT Park - A3	Xander Group	2023	0.5
Gateway IT Park - A2	Xander Group	2023	0.5

Source: CBRE Research

Chennai Commercial Market Overview

Source: CBRE Research

OUTLOOK

Chennai saw a steep recovery of demand with the absorption of approximately 6.3 million sq ft of office space in 2022, surpassing pre-COVID absorption levels of 4-6 million sq ft. Supply also increased, with 4.0 million sq ft of new office space entering the market. Vacancy rates in Chennai are expected to increase slightly to 20.7% in 2023.

Rajiv Gandhi Salai: Rajiv Gandhi Salai remains one of the most sought-after micro markets for commercial real estate in Chennai, and is expected to add 8.1 million sq ft of office space assets in the short to medium term. The demand outlook for the same period indicates gross absorption of about 7.1 million sq ft, out of which about 15% is already pre-committed.

GST Road: GST Road is expected to witness limited supply of grade A office assets, despite availability of developable land parcels.

Hyderabad Commercial Market Overview

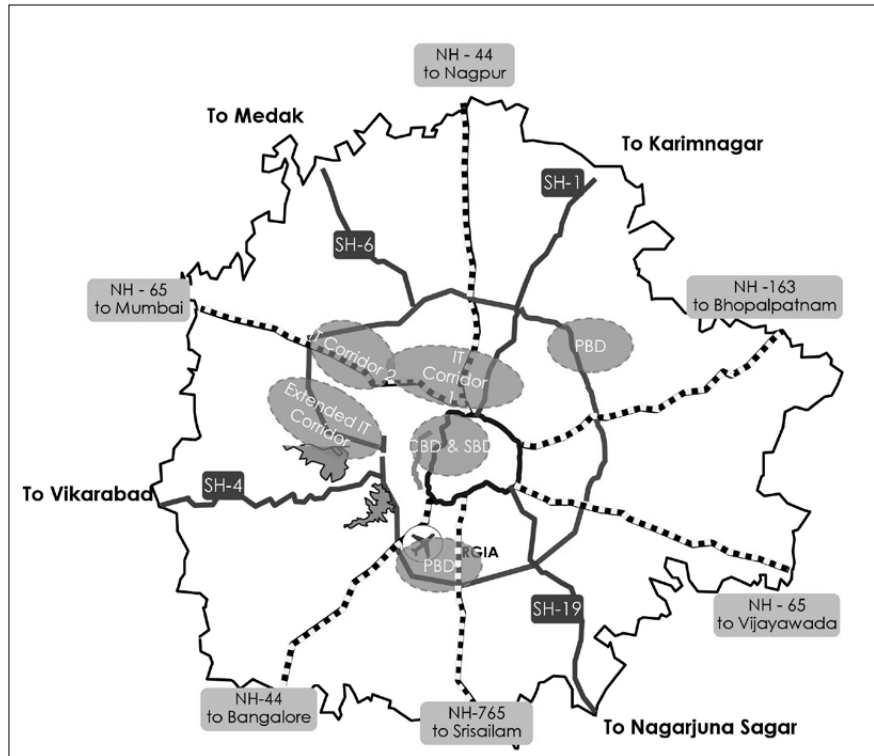
Source: CBRE Research

CITY OVERVIEW

Hyderabad⁴ is the common capital for the states of Andhra Pradesh and Telangana. The total area covered under the Hyderabad Metropolitan Development Authority (HMDA) is approximately 7,228 sq km. The city enjoys excellent connectivity to other major cities through three National Highways and a grid of State Highways.

Hyderabad witnessed greater political stability and accelerated growth after the creation of the new state of Telangana. Its investor-friendly climate coupled with the city's strengths as a prominent IT hub, a strong institutional base and a young demographic population, has propelled economic growth for the city.

The process and plan to develop infrastructure of the city has been initiated over two decades ago which helped the city achieve state-of-the-art infrastructure to support real estate activity and emerged as a new IT-ITES destination in India.



⁴ Area notified as the Greater Hyderabad Municipal Corporation under the Hyderabad Municipal Corporation Act, 1955 is the common capital for both the Telangana and Andhra Pradesh States

Hyderabad Commercial Market Overview

Source: CBRE Research

Hyderabad micro-market classification and key commercial hubs

Hyderabad has been classified into different micro-markets based on the concentration and profile of development activity, as detailed below:

Micro-market	Locations Included	Description
Central Business District (CBD)	<ul style="list-style-type: none"> • Begumpet • Somajiguda 	<ul style="list-style-type: none"> • Existing commercial hub of the city with primarily non-IT focused spaces • Characterised by low-rise, high-density developments with limited infrastructure provisions • Prominent companies include Karvy, Intergraph and PwC • At the end of CY2022, total Grade-A office stock in CBD was at 5.5 million sq ft • Vacancy at the end of CY2022 was estimated at 22.7% • During CY2022, CBD witnessed rentals in the range of INR 52-57 per sq ft per month
Secondary Business District (SBD)	<ul style="list-style-type: none"> • Banjara Hills • Jubilee Hills • Ameerpet 	<ul style="list-style-type: none"> • Primarily non-IT focused spaces characterised by low rise developments • Prominent companies include HCL, D.E. Shaw and Invecas Technologies • At the end of CY2022, total Grade-A office stock in SBD was at 4.0 million sq ft • Vacancy in SBD at the end of CY2022 was estimated at 35.9% • During CY2022, SBD witnessed rentals in the range of INR 50-55 per sq ft per month
IT & Extended IT Corridor	<ul style="list-style-type: none"> • Kondapur • Madhapur • Gachibowli 	<ul style="list-style-type: none"> • Alternate commercial hub of the city • Located towards the west of the city, the commercial activity primarily comprises of IT/ITES activity • Characterised by Grade-A developments with superior infrastructure provisions • Prominent companies include TCS, Accenture and IBM • At the end of CY2022, total Grade-A office stock in IT & Extended IT Corridor was at 95.0 million sq ft • Vacancy at the end of CY2022 was estimated at 19.8% • During CY2022, IT & Extended IT Corridor witnessed rentals in the range of INR 60-75 per sq ft per month
Peripheral Business District (PBD)	<ul style="list-style-type: none"> • Uppal • Pocharam • Shamshabad 	<ul style="list-style-type: none"> • Emerging hub for commercial activity • Prominent companies include Genpact, Cyient and Infosys • At the end of CY2022, total Grade-A office stock in PBD was at 3.6 million sq ft • Vacancy at the end of CY2022 was estimated at 56.9% • During CY2022, PBD witnessed rentals in the range of INR 30-40 per sq ft per month

Source: CBRE Research

Hyderabad Commercial Market Overview

Source: CBRE Research

MADHAPUR OVERVIEW

Located in West Hyderabad, Madhapur forms part of the Cyberabad region, a separate area earmarked for IT/ITES activity by the State Government. The area has attracted many global IT MNCs including Microsoft, Amazon and Google. Some of the prominent commercial developments in the market include ITPH, Raheja Group and Salarpuria Sattva.

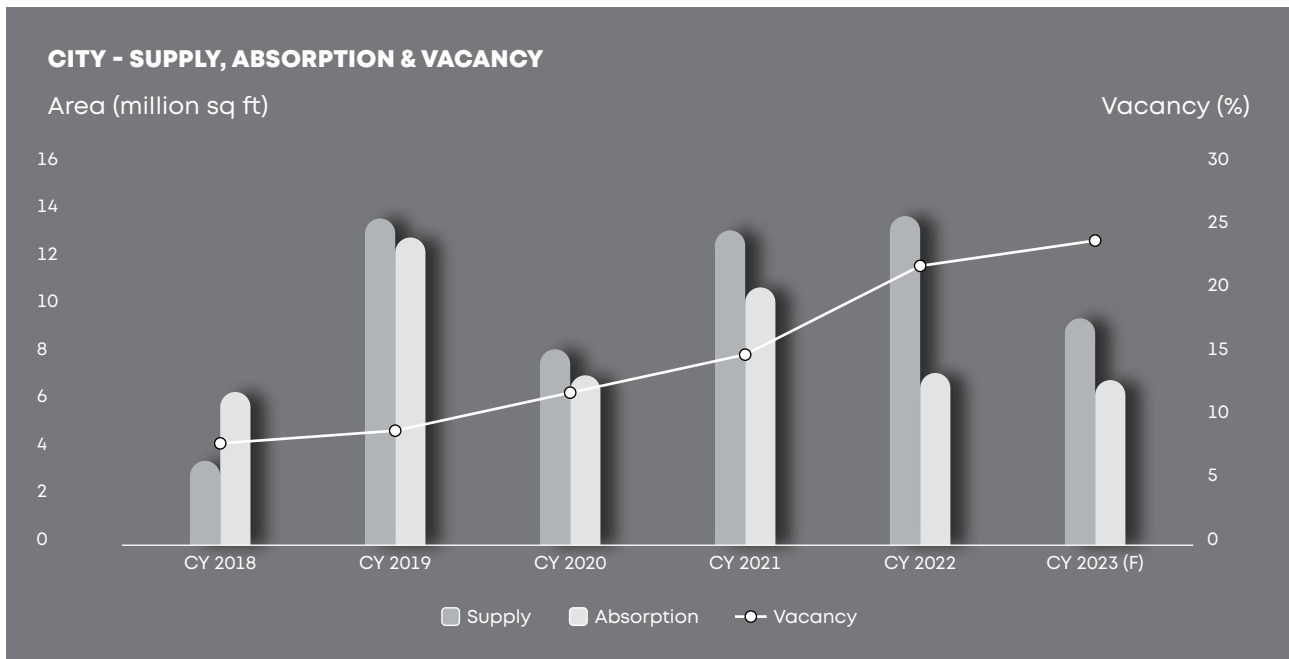
Madhapur saw total Grade-A commercial office supply of approximately 12.9 million sq ft in 2022. The micro-market is expected to see absorption of approximately 6.5 million sq ft in 2023, a decrease of about 7.5% YoY.

Positive performance of IT/ITES sector and emergence of Cyberabad as a prominent IT/ITES and institutional hub has also triggered significant activity levels across hospitality, retail & entertainment sectors.

SUPPLY, ABSORPTION & VACANCY TRENDS: HYDERABAD

Grade-A Office Stock Breakup	Hyderabad	Madhapur
Total Completed Stock	108.1 million sq ft	57.2 million sq ft
Breakup – SEZ & Non SEZ	SEZ – 38.8 million sq ft Non SEZ – 69.2 million sq ft	SEZ – 15.9 million sq ft Non SEZ – 41.3 million sq ft

Source: CBRE Research



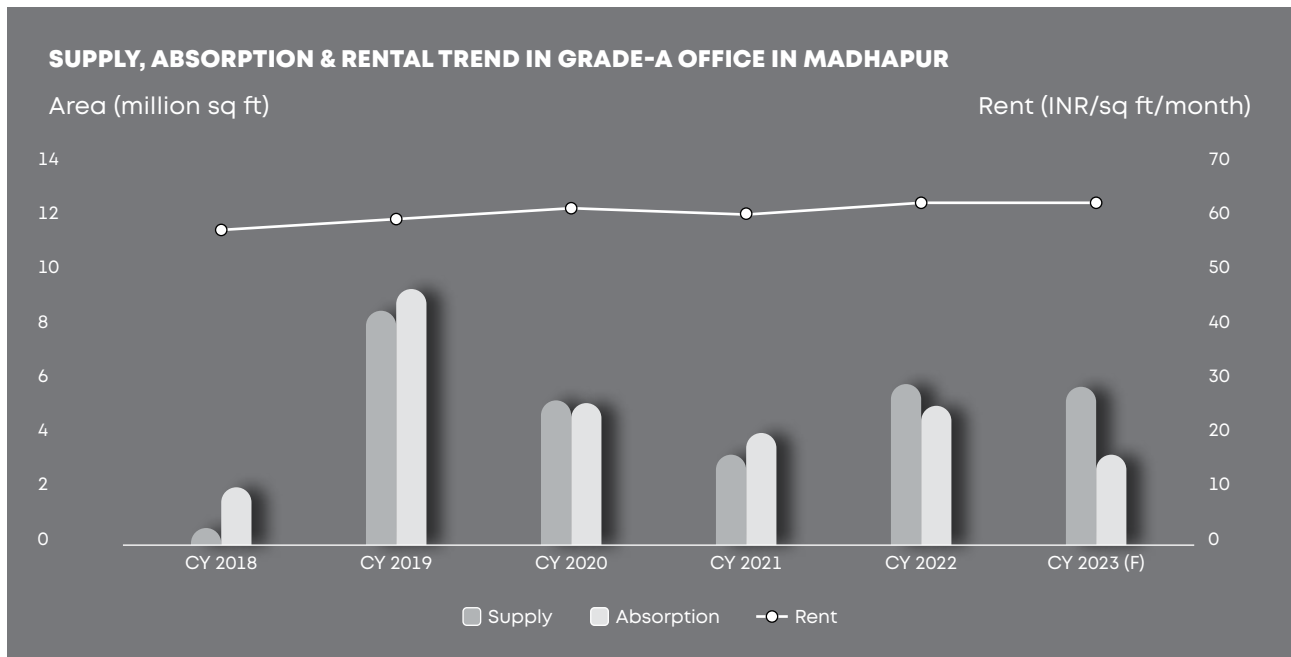
Source: CBRE Research

Note: Supply – refers to fresh completed supply added each year, Absorption – refers to the occupancy witnessed in each year which is reflective of both fresh and secondary leasing, The vacancy in the chart accounts for the gap between cumulative stock and occupied space in the city in any given year and includes secondary spaces (if any) being generated due to churn in the market.

Hyderabad Commercial Market Overview

Source: CBRE Research

SUPPLY, ABSORPTION & RENTAL TRENDS: MADHAPUR MICRO-MARKET



Source: CBRE Research

Note: Supply – refers to new supply completed each year, Absorption – refers to the net space occupied in each year comprising of both primary and secondary leasing. Rents shown are average base rents as transacted.

ANALYSIS OF DEVELOPMENTS IN MADHAPUR

Current Commercial Developments in Madhapur

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
DivyaSree Orion	DivyaSree	2011-21	5.4	5-10%	Salesforce, Wells Fargo, Mindtree
Salarpuria Knowledge City Parcel II & IV	Salarpuria	2019-20	3.8	2-5%	Microsoft, State Street, JP Morgan
Meenakshi Deloitte - Phase I, II, III	Meenakshi Constructions	2017-20	4.0	Fully Occupied	Deloitte
Mindspace West	K Raheja Corp REIT	2004-20	10.1	5-10%	Amazon, Qualcomm, IBM
The Skyview - SEZ	RMZ Corp	2019	3.5	Fully Occupied	Qualcomm, Micron, DBS, Facebook

Source: CBRE Research

Hyderabad Commercial Market Overview

Source: CBRE Research

Upcoming Commercial Developments in Madhapur

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)
Aparna Technopolis	Aparna Constructions	2023	1.2
Ayyanna Infra IT Park	Ayyanna Group	2023	0.4
Sanali Business Bay	Sanali Group	2024	1.1
Jyothi Granules	Vamsiram Builders	2024	0.6
The Spire - Tower 100 & 110	RMZ Corp	2025	1.4
L&T Site - T2	L&T	2025	1.0
Sanali West field	Sanali Group	2025	0.3
Phoenix Equinox - T1 & T2	Phoenix Group	2024/26	2.3

Source: CBRE Research

OUTLOOK

Hyderabad remains one of the most sought-after office destinations in India with approximately 108.1 million sq ft of high quality office space.

CBRE expects the commercial office sector in Hyderabad to see 20.2 million sq ft in supply, while gross absorption will reach 16.1 million sq ft for the same period. With a strong supply outlook, vacancy rates are expected to increase marginally to 23.8% in 2023.

With significantly lower vacancy levels than the rest of Hyderabad, Madhapur rents are expected to remain stable in the range of INR 65-70 per sq ft per month in the medium term.

Mumbai Market Overview

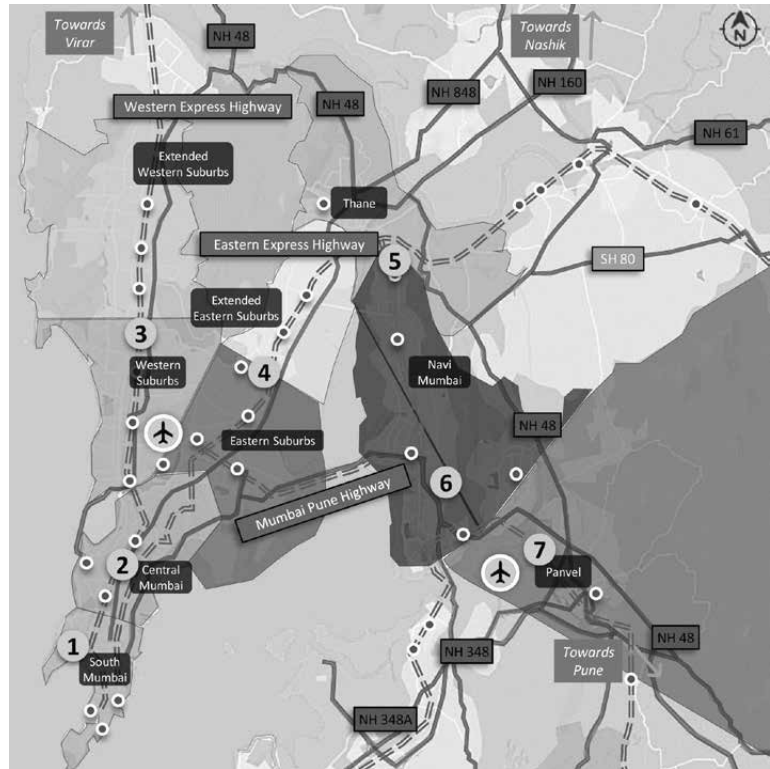
Source: CBRE Research

CITY OVERVIEW

Mumbai, the capital of the State of Maharashtra, is known as the 'Financial Capital' of India with the presence of numerous corporate offices, banks, and financial institutions. It is home to prominent national financial institutions including the Reserve Bank of India and the National and Bombay Stock Exchanges. The Central and State Governments are proactively exploring the development of Mumbai as an International Financial Centre, with recent initiatives including the development of the Bandra Kurla Complex (BKC).

Mumbai's office market activity has expanded from the Central Business District (CBD) to encompass new developments in emerging locations of Lower Parel and the Bandra Kurla Complex (BKC). Further, the city's expansion towards the north has led to the emergence of micro-markets in the suburbs, with prominent examples including Malad and Goregaon in the Western suburbs and Powai, Vikhroli and Kanjurmarg in the Eastern suburbs.

Mumbai currently has close to 139.7 million sq ft of investment-grade office stock and a large quantum of commercial projects are underway in its suburban and peripheral micro-markets. Simultaneously, with the completion of key infrastructure projects and improved connectivity, the satellite city of Navi Mumbai has emerged as a prominent commercial destination, offering Grade-A office spaces.



Mumbai Market Overview

Source: CBRE Research

Mumbai micro-market classification and key commercial hubs

Mumbai has been classified into different micro-markets based on the concentration and profile of development activity, as detailed below:

Micro-market	Locations Included	Description
Central Business District (CBD)	<ul style="list-style-type: none"> Nariman Point Ballard Estate Cuffe Parade 	<ul style="list-style-type: none"> Primarily Non-IT Focused commercial activity Characterised by low-rise, high-density developments Prominent companies that have presence in this micro market are Reliance Industries, McKinsey & Co. and Tata Telecom At the end of CY2022, total Grade-A office stock in CBD was at 6.7 million sq ft Vacancy at the end of CY2022 was estimated at 7.3% During CY2022, CBD witnessed rentals in the range of INR 150-250 per sq ft per month
Extended Business District (ExBD)	<ul style="list-style-type: none"> Lower Parel Worli Prabhadevi 	<ul style="list-style-type: none"> Characterised by Grade-A developments with superior infrastructure provisions BFSI hub and corporate headquarters Prominent companies include HDFC Bank, Axis Bank and Morgan Stanley At the end of CY2022, total Grade-A office stock in ExBD was at 17.0 million sq ft Vacancy at the end of CY2022 was estimated at 33.2% During CY2022, ExBD witnessed rentals in the range of INR 150-220 per sq ft per month
Alternate Business District (ABD)	<ul style="list-style-type: none"> BKC Kalina Santacruz 	<ul style="list-style-type: none"> Alternate commercial hub of the city Characterised by Grade-A developments with superior infrastructure provisions BFSI hub and corporate headquarters Prominent companies include Deutsche Bank, Abbott and Citibank At the end of CY2022, total Grade-A office stock in ABD was at 14.1 million sq ft Vacancy at the end of CY2022 was estimated at 18.8% During CY2022, ABD witnessed rentals in the range of INR 150-350 per sq ft per month
Secondary Business District (SBD)	<ul style="list-style-type: none"> Andheri (East) Sahar MIDC Saki Naka 	<ul style="list-style-type: none"> Smaller office spaces for Non-IT front office Prominent companies include Glenmark Pharma, HUL and DHL At the end of CY2022, total Grade-A office stock in SBD was at 23.8 million sq ft Vacancy at the end of CY2022 was estimated at 20.2% During CY2022, SBD witnessed rentals in the range of INR 75-130 per sq ft per month
Peripheral Business District West (PBD West)	<ul style="list-style-type: none"> Malad Goregaon Jogeshwari 	<ul style="list-style-type: none"> Located towards the west of the city, the commercial activity primarily comprises of IT/ITES activity Prominent companies include PwC and Ericsson Aegon At the end of CY2022, total Grade-A office stock in PBD-W was at 18.5 million sq ft Vacancy at the end of CY2022 was estimated at 23.8% During CY2022, PBD-W witnessed rentals in the range of INR 65-110 per sq ft per month

Mumbai Market Overview

Source: CBRE Research

Micro-market	Locations Included	Description
Peripheral Business District East (PBD East)	<ul style="list-style-type: none"> • Kurla • Vikhroli • Kanjurmarg • Powai • Mulund 	<ul style="list-style-type: none"> • Non-IT/ITES captive hub • Prominent companies include Tesco, Tata and Trent • At the end of CY2022, total Grade-A office stock in PBD-E was at 20.6 million sq ft • Vacancy at the end of CY2022 was estimated at 23.3% • During CY2022, PBD-E witnessed rentals in the range of INR 90-150 per sq ft per month
Thane Business District (TBD) & Navi Mumbai Business District (NMBD)	<ul style="list-style-type: none"> • Vashi • Airoli • Ghansoli • Ghodbunder Road 	<ul style="list-style-type: none"> • Emerging hub for commercial activity • IT/ITES back-office hub • Prominent companies include Capgemini, IBM and Accenture • At the end of CY2022, total Grade-A office stock in TBD was at 8.8 million sq ft and NMBD was at 30.1 million sq ft • Vacancy at the end of CY2022 was estimated at 23.7% for TBD and 32.3% for NMBD • During CY2022, TBD witnessed rentals in the range of INR 50-70 per sq ft per month and NMBD witnessed rentals in the range of INR 45-60 per sq ft per month

Source: CBRE Research

NAVI MUMBAI MICRO-MARKET OVERVIEW

Situated on the west coast of the Indian state of Maharashtra, Navi Mumbai was originally developed as a twin city of Mumbai, with a total area of 344 sq km. Connectivity between Navi Mumbai and Mumbai are facilitated through the Vashi and Airoli Bridges. Navi Mumbai is also connected to Mumbai City via railway and the Sion Panvel Highway, Thane Belapur Road and National Highway 48. All the nodes in Navi Mumbai are prominent residential hubs.

Prominent commercial developments in Navi Mumbai include Aurum IT Building, Reliance Corporate IT Park, Sigma IT Park, Rupa Solitaire and some of the largest IT/ITES occupiers include UBS Business Solutions, KPMG and Maersk Global Services.

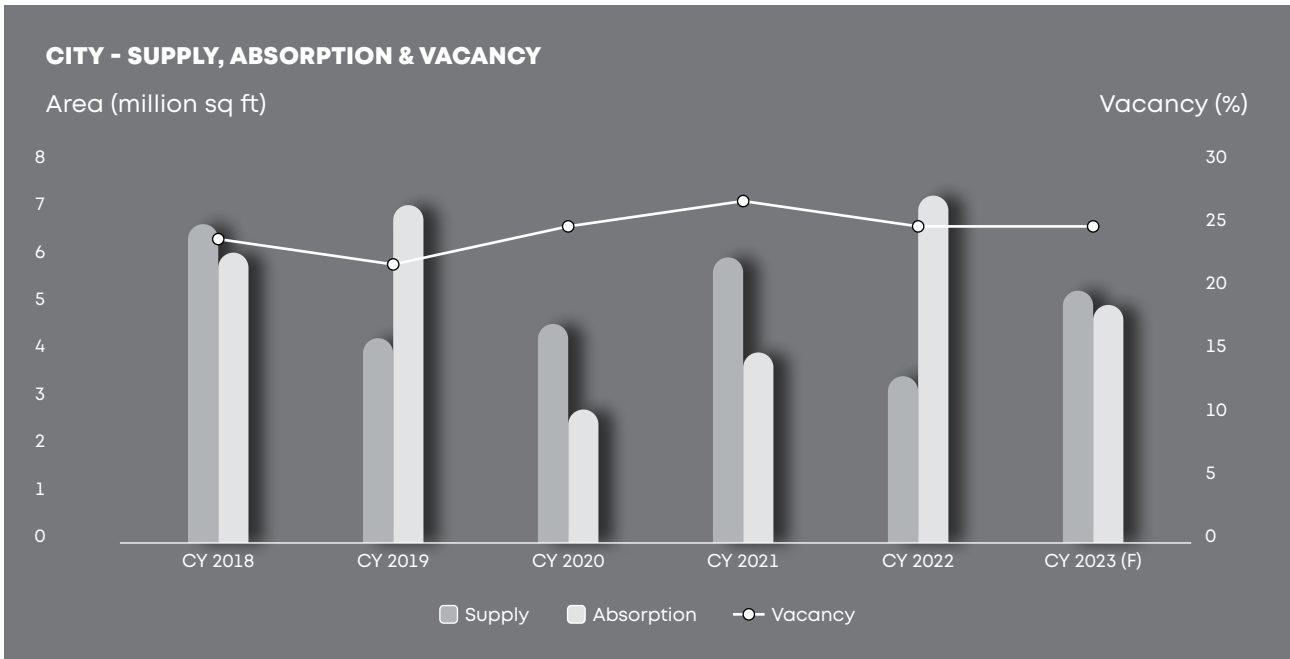
SUPPLY, ABSORPTION & VACANCY TRENDS: MUMBAI

Grade-A Office Stock Breakup	Mumbai	Navi Mumbai
Total Completed Stock	139.7 million sq ft	30.1 million sq ft
Breakup – SEZ & Non SEZ	SEZ – 10.7 million sq ft Non SEZ – 129.0 million sq ft	SEZ – 9.2 million sq ft Non SEZ – 20.9 million sq ft

Source: CBRE Research

Mumbai Market Overview

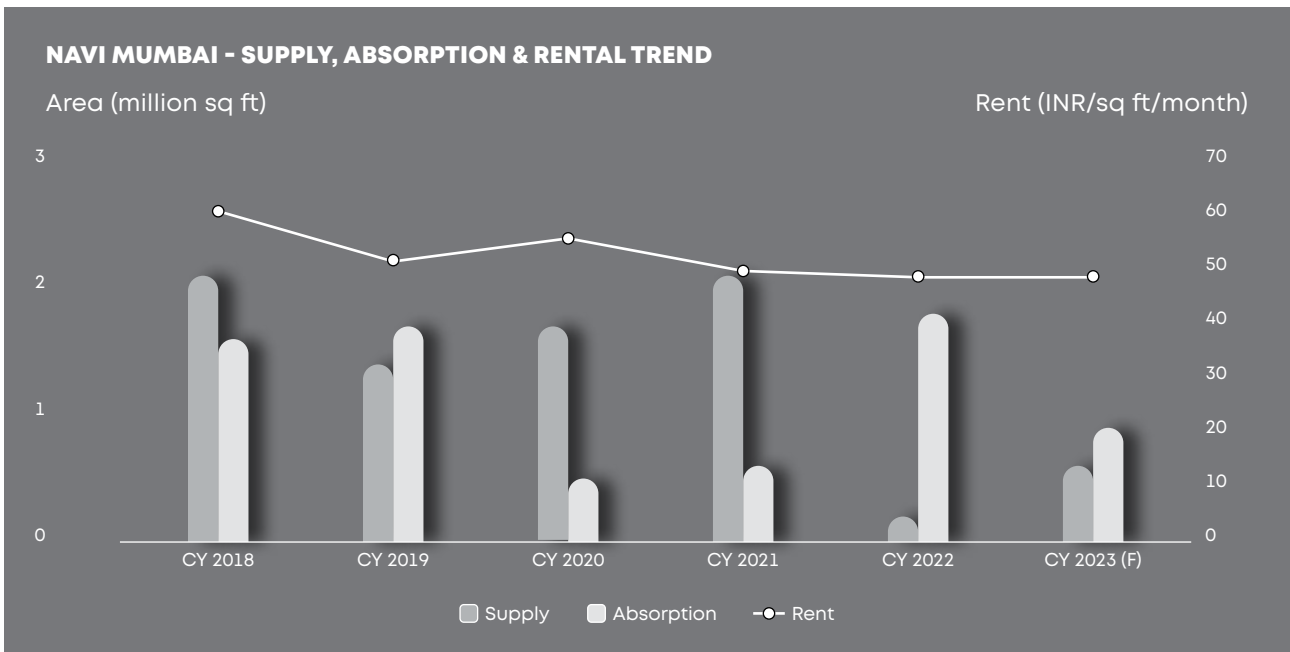
Source: CBRE Research



Source: CBRE Research

Note: Supply – refers to fresh completed supply added each year, Absorption – refers to the occupancy witnessed in each year which is reflective of both fresh and secondary leasing, The vacancy in the chart accounts for the gap between cumulative stock and occupied space in the city in any given year and includes secondary spaces (if any) being generated due to churn in the market.

SUPPLY, ABSORPTION & RENTAL TRENDS: NAVI MUMBAI



Source: CBRE Research.

Note: Supply – refers to new supply completed each year, Absorption – refers to the net space occupied in each year comprising of both primary and secondary leasing. Rents shown are average base rents as transacted.

Mumbai Market Overview

Source: CBRE Research

ANALYSIS OF DEVELOPMENTS IN NAVI MUMBAI

Current Commercial Developments in Navi Mumbai

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
Mindspace Building 1	K Raheja Corp	2018	0.7	10-15%	Cytec, Cowens, Rabit (RBI), IDFC, Fino Payments
Rupa Sapphire	Rupa Group	2018	0.2	40-45%	Utkarsh Bank, Coleman Logistics, TPF Engineering
Empire Tower - Reliable Tech Park Phase II	Reliable Spaces Pvt. Ltd.	2017	2.0	5-10%	Aditya Birla, Covestro, Maersk Global Services, Home Credit
Mindspace (West) - Building 2 (Gigaplex)	K Raheja Corp and The Blackstone Group	2016	0.7	15-20%	Here Solutions India, UBS Business Solutions (I), Worley Parsons India

Source: CBRE Research

Upcoming Commercial Developments in Navi Mumbai

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)
Liberty Tower Phase II	Reliable Spaces Pvt. Ltd.	2023	0.9
Greenspace Cyberwork	Greenscape Groups	2024	0.4
Mindspace (East) - Building 15	K Raheja Corp and The Blackstone Group	2024	0.5
Intellion Park - Phase I	Tata Realty and Infrastructure Ltd	2025	0.5

Source: CBRE Research

OUTLOOK

Demand in Mumbai saw a steep increase of 85% YoY, with 7.3 million sq ft of office space absorbed, signalling a strong recovery post-pandemic. While new supply additions are 41% lower, at 3.5 million sq ft in 2022 compared to 6.0 million sq ft in 2021, vacancy in Mumbai fell by approximately 2% to 25%.

Going forward, CBRE expects the real estate sector in Mumbai to remain stable through 2023 with absorption and supply increasing slightly over the next year. Vacancy levels are also expected to remain stable at 25% with micro-markets in Navi Mumbai, BKC and the CBD expecting increased occupier and developer interest. Connectivity is also primed to improve with the upcoming Metro and Trans-Harbor Link poised to operationalise in 2023.

Due to its proximity to Mumbai City, the Navi Mumbai micro market is a preferred location for IT/ITES corporates and is expected to see the development of large-scale campuses. The micro-market has also seen increased traction in the setting up of data centre developments which will bolster real estate demand in the long term.

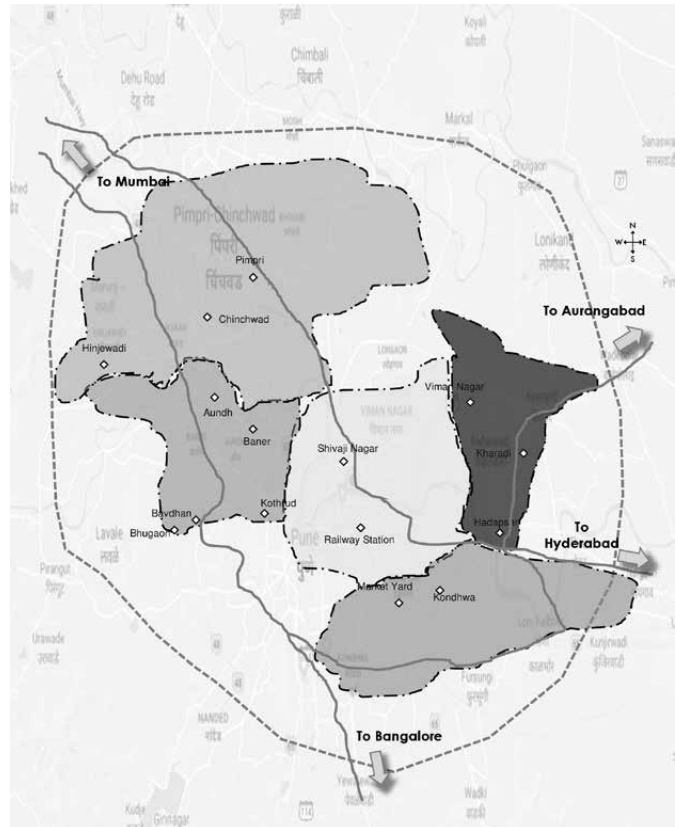
Pune Commercial Market Overview

Source: CBRE Research

CITY OVERVIEW

Pune is located approximately 150 km from Mumbai and is the second largest city in the state of Maharashtra. The city has steadily metamorphosed from a traditional city with an army cantonment and an agricultural-based economy, to an industrial and educational hub.

The advent of Information Technology (IT/ITES) industry in the late 1990s & its subsequent proliferation has rapidly developed the economic landscape of the city. Pune has emerged as a prominent IT/ITES destination in India, which has fuelled strong demand across all real estate segments, including the development of the first software technology park in India. Meanwhile, non-IT demand has been primarily confined to CBD and off-CBD micro-markets.



Pune Commercial Market Overview

Source: CBRE Research

Pune micro-market classification and key commercial hubs

Pune has been classified into different micro-markets based on the concentration and profile of development activity, as detailed below:

Micro-market	Locations Included	Description
Central Business District (CBD)	<ul style="list-style-type: none"> Bund Garden Boat Club Road Koregaon Park 	<ul style="list-style-type: none"> Characterised by low-rise, high-density developments Prominent companies include Cognizant, Coupa Software and ICERTIS At the end of CY2022, total Grade-A office stock in CBD was at approximately 7.9 million sq ft Vacancy at the end of CY2022 was estimated at 15.4% During CY2022, CBD witnessed rentals in the range of INR 65-75 per sq ft per month for warm shell space
Secondary Business District (SBD) - East	<ul style="list-style-type: none"> Hadapsar Mundhwa Viman Nagar 	<ul style="list-style-type: none"> Characterised by park-style commercial, mid/high-end residential and hospitality developments Prominent companies include WNS, Capita and WeWork At the end of CY2022, total Grade-A office stock in SBD-East was at approximately 23 million sq ft Vacancy at the end of CY2022 was estimated at 14.3% During CY2022, SBD-East witnessed rentals in the range of INR 75-85 per sq ft per month for warm shell space
Secondary Business District (SBD) - West	<ul style="list-style-type: none"> Aundh Baner Bangalore-Mumbai Highway 	<ul style="list-style-type: none"> Emerging hub for commercial activities Prominent companies include Siemens, EY and VMWare At the end of CY2022, total Grade-A office stock in SBD-West was at approximately 12.3 million sq ft Vacancy at the end of CY2022 was estimated at 31.2% During CY2022, SBD-West witnessed rentals in the range of INR 70-80 per sq ft per month for warm shell space
Secondary Business District (SBD) - Kharadi	<ul style="list-style-type: none"> Kharadi 	<ul style="list-style-type: none"> Characterised by Grade-A developments with superior infrastructure provisions Prominent companies include Barclays, Credit Suisse and Citibank At the end of CY2022, total Grade-A office stock in SBD-Kharadi was at approximately 13.3 million sq ft Vacancy at the end of CY2022 was estimated at 14.6% During CY2022, SBD-Kharadi witnessed rentals in the range of INR 80-95 per sq ft per month for warm shell space
Peripheral Business District (PBD) - Hinjawadi	<ul style="list-style-type: none"> Hinjawadi 	<ul style="list-style-type: none"> Presence of Grade-A multi-tenanted business parks Organised commercial developments comprising of a mix of SEZ & non-SEZ space Prominent companies include Wipro, Infosys and HCL At the end of CY2022, total Grade-A office stock in PBD-Hinjawadi was at approximately 13.4 million sq ft Vacancy at the end of CY2022 was estimated at 33.2% During CY2022, PBD-Hinjawadi witnessed rentals in the range of INR 40-50 per sq ft per month for warm shell space

Source: CBRE Research

Pune Commercial Market Overview

Source: CBRE Research

HINJAWADI OVERVIEW

Hinjawadi, located along the north-western periphery of Pune city, has emerged as a prominent commercial destination. Strategically located near to the Mumbai-Bangalore Bypass Highway, Hinjawadi enjoys good connectivity to Mumbai city to the north and Bangalore city to the south. The Hinjawadi main road also ensures the overall connectivity across all phases of the city's development.

As a former industrial micro-market, Hinjawadi has transformed into an IT destination over the years with favourable government policies, availability of land parcels and sustained interest from investors, developers and corporates.

The region houses IT campuses of major corporates including Tata Consultancy Services, Cognizant and Capgemini. Prominent IT developments in the market include aVance Pune, Panchshil Tech Park, and Embassy Tech Zone.

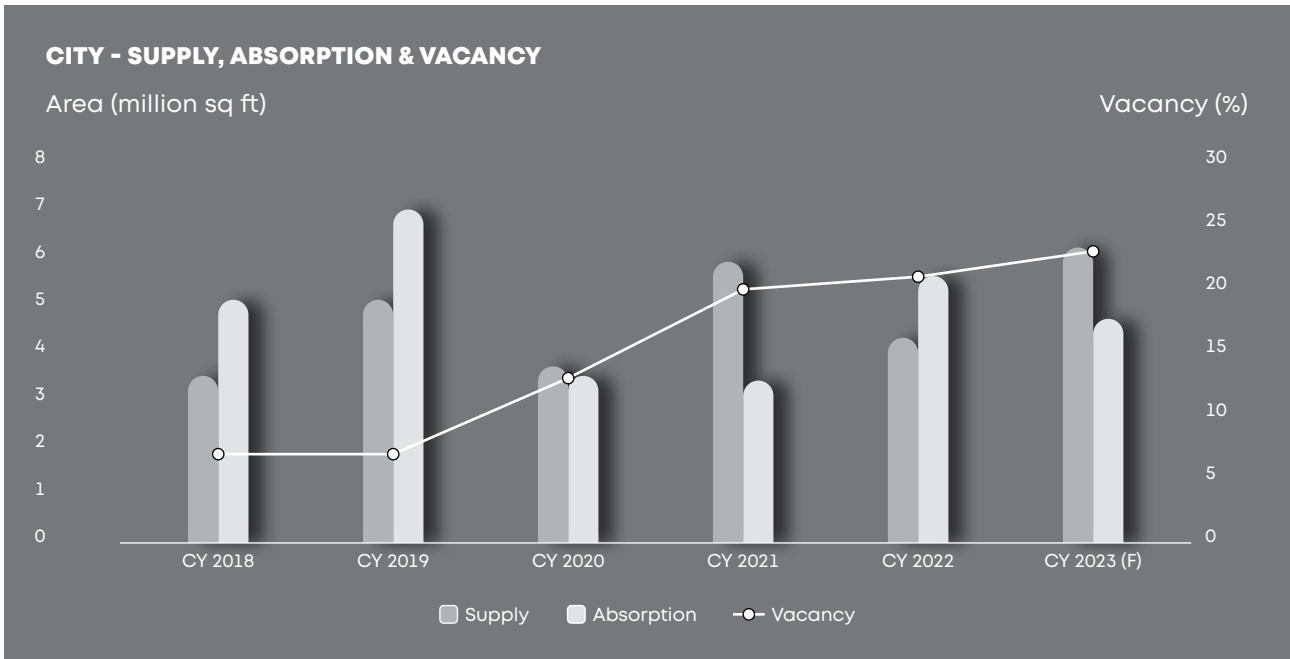
SUPPLY, ABSORPTION & VACANCY TRENDS: PUNE

Grade-A Office Stock Breakup	Pune	Hinjawadi
Total Completed Stock	69.9 million sq ft	13.3 million sq ft
Breakup – SEZ & Non SEZ	SEZ – 22.9 million sq ft Non SEZ – 47.0 million sq ft	SEZ – 10.6 million sq ft Non SEZ – 2.7 million sq ft

Source: CBRE Research

Pune Commercial Market Overview

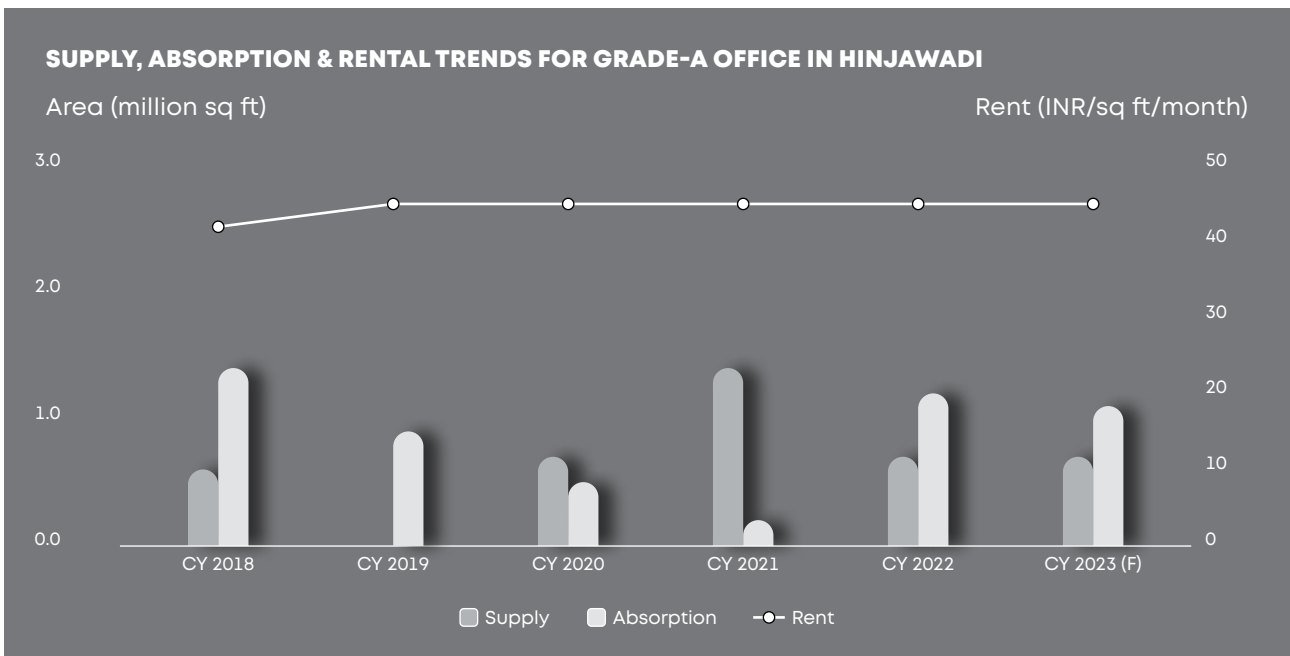
Source: CBRE Research



Source: CBRE Research

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SUPPLY, ABSORPTION & RENTAL TRENDS: HINJAWADI MICRO-MARKET



Source: CBRE Research

Note: Supply – refers to new supply completed each year, Absorption – refers to the net space occupied in each year comprising of both primary and secondary leasing. Rents shown are average base rents as transacted.

Pune Commercial Market Overview

Source: CBRE Research

ANALYSIS OF DEVELOPMENTS IN HINJAWADI

Current Commercial Developments in Hinjawadi

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)	Vacancy (% of Leasable Area)	Main Occupiers
The Qubix	The Blackstone Group	2010-2012	1.5	15-20%	Accenture, Geometric, Persistent Systems
Quadron IT Park – SEZ	The Blackstone Group	2009-2010	1.9	45-50%	Barclays, TCS, Cognizant
Embassy Techzone SEZ	Embassy Group	2008-2012	2.2	10-15%	IBM, Flextronics India, Link Group

Source: CBRE Research

Upcoming Commercial Developments in Hinjawadi

Building Name	Developer	Year of Completion	Leasable Area (million sq ft)
Kratos Towers	Apus Realities	2025	0.4
Paranjape Project	Paranjape Schemes	2024	0.1

Source: CBRE Research

OUTLOOK

Demand in Pune picked up significantly at 75% increase YoY, with 5.6 million sq ft of office space absorbed. While new supply additions were 17% lower, at 4.3 million sq ft in 2022 compared to 5.9 million sq ft in 2021, vacancy increased from 20% to 21% as most of the absorption was in secondary leasing. CBRE expects vacancy to increase slightly to 23% in 2023, due to increased supply.

The Hinjawadi micro-market saw a steep increase in absorption of about 78% YoY, while new supply additions were lower by 11% across the same period. The micro-market is expected to witness no supply additions in 2023, while absorption levels increase by 25% to 0.5 million sq ft, effectively reducing the vacancy levels.

Abbreviations

CY	Calendar Year
CBD	Central Business District
DCF	Discounted Cash Flow
FV	Fair Value
Ft	Feet
FY	Financial Year
FSI	Floor Space Index
FDI	Foreign Direct Investment
GST	Goods and Services Tax
INR	Indian Rupee
IT/ITES	Information Technology/ Information Technology Enabled Services
Km	Kilometres
M	Meters
Mn	Million
MNC	Multi-National Company
NH	National Highway
NA	Not Applicable/ Not Available
PE	Private Equity
Q	Quarter
RBI	Reserve Bank of India
RGIA	Rajiv Gandhi International Airport
RERA	Real Estate Regulatory Authority
SBD	Secondary Business District
SEZ	Special Economic Zone
Sq ft	Square Feet
Sqm	Square Meter
SH	State Highway
SP	Subject Property
USD	United States Dollar

Corporate Information

CAPITALAND INDIA TRUST

REGISTERED ADDRESS

168 Robinson Road
#30-01 Capital Tower
Singapore 068912
Tel : +65 6713 2888
Fax: +65 6713 2999

WEBSITE AND EMAIL ADDRESS

www.clint.com.sg
enquiries@clint.com.sg

STOCK CODE

SGX Code: CY6U
Bloomberg Code: CLINT:SP

AUDITOR

Deloitte & Touche LLP

Public Accountants and Chartered Accountants
6 Shenton Way
OUE Downtown 2 #33-00
Singapore 068809
Tel : +65 6224 8288
Fax: +65 6538 6166
Partner-in-charge:
Ms Tay Hwee Ling
(With effect from financial year ended 31 December 2022)

PROPERTY MANAGER CapitaLand Services (India) Private Limited

1st Floor, Unit No. 7 & 8
Pinnacle Building
International Tech Park Chennai
CSIR Road
Taramani, Chennai 600113
Tamil Nadu, India

UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue
#14-07, Keppel Bay Tower
Singapore 098632
Tel : +65 6536 5355
Fax: +65 6536 1360

For updates or change of mailing address, please contact:

The Central Depository (Pte) Limited

Website: <https://www1.cdp.sg.com>
Email: asksgx@sgx.com
Tel : +65 6535 7511
Fax: +65 6535 0775

TRUSTEE-MANAGER CapitaLand India Trust Management Pte. Ltd.

REGISTERED ADDRESS

168 Robinson Road
#30-01 Capital Tower
Singapore 068912
Tel : +65 6713 2888
Fax: +65 6713 2999

BOARD OF DIRECTORS

Manohar Khiatani

Chairman & Non-Executive Non-Independent Director

Sanjeev Dasgupta

Chief Executive Officer & Executive Non-Independent Director

Alan Rupert Nisbet

Non-Executive Lead Independent Director

Zia Jaydev Mody

Non-Executive Independent Director

Ernest Kan Yaw Kiong

Non-Executive Independent Director

Tan Soon Neo Jessica

Non-Executive Independent Director

Deborah Tan Yang Sock (Mrs Deborah Ong)

Non-Executive Independent Director

Jonathan Yap Neng Tong

Non-Executive Non-Independent Director

AUDIT AND RISK COMMITTEE

Alan Rupert Nisbet (Chairman)
Zia Jaydev Mody
Ernest Kan Yaw Kiong
Deborah Tan Yang Sock (Mrs Deborah Ong)

INVESTMENT COMMITTEE

Manohar Khiatani (Chairman)
Zia Jaydev Mody
Tan Soon Neo Jessica
Jonathan Yap Neng Tong

NOMINATING AND REMUNERATION COMMITTEE

Tan Soon Neo Jessica (Chairman)
Manohar Khiatani
Alan Rupert Nisbet

COMPANY SECRETARY

Hon Wei Seng



CAPITALAND INDIA TRUST MANAGEMENT PTE. LTD.

As Trustee-Manager of CapitaLand India Trust
Company Registration Number: 200412730D

168 Robinson Road
#30-01 Capital Tower
Singapore 068912

Tel: +65 6713 2888

Fax: +65 6713 2999

Email: enquiries@clint.com.sg

www.clint.com.sg



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