



A Member of CapitaLand

ASCENDAS INDIA TRUST

(Registration Number: 2007004)

(a business trust registered under the Business Trusts Act, Chapter 31A of Singapore)

PROPOSED ACQUISITION OF AVANCE 6 AT HITEC CITY, HYDERABAD

1. INTRODUCTION

1.1 Further to the announcement made on 21 May 2018, Ascendas Property Fund Trustee Pte. Ltd., as Trustee-Manager of a-iTrust, (“**a-iTrust**”, and the trustee-manager of a-iTrust, the “**Trustee-Manager**”) is pleased to announce that:

- i. its wholly owned subsidiaries, Ascendas Property Fund (India) Pte. Ltd. (“**APFI**”) and Ascendas Property Fund (FDI) Pte. Ltd. (“**APFF**”) have entered into a securities purchase agreement (the “**Securities Purchase Agreement**”) and share purchase agreement (the “**Share Purchase Agreement**”) with the shareholders of Phoenix IT Infrastructure India Private Limited (“**PIIPL**”) pursuant to which (a) APFI shall acquire, in two phases, a 100.0% interest in PIIPL, which directly owns the building “aVance 6” (the “**Acquisition**”), (b) APFF shall acquire Non-Convertible Debentures (“**NCDs**”) in PIIPL from the existing NCD holders, and (c) APFF will subscribe to NCDs of PIIPL to provide an advance towards the purchase of shares of Phoenix Infocity Private Limited (“**PIPL**” or “**Developer**”) by PIIPL;
- ii. APFF has entered into an amendment to a Debenture Subscription Agreement (the “**Amended Debenture Subscription Agreement**”) with PIPL a master developer of aVance Hyderabad¹, to subscribe to additional NCDs issued by PIPL to fund the revised construction cost of the building, “aVance 5” (the “**Construction Funding**”);
- iii. Additionally, VITP Private Limited (“**VITP**”), the 100% owned subsidiary of APFI, has entered into an inter-corporate deposit agreement (the “**Inter-Corporate Deposit Agreement**”) with Phoenix Techno Hub Private Limited (“**PTHPL**”), an affiliate of PIPL, to provide additional funding to PTHPL (“**Additional Funding**”) through Inter Corporate Deposits (“**ICDs**”), towards payment of outstanding dues and fund the purchase by PTHPL of additional land, which will be mortgaged to a-iTrust as additional security for loans provided by a-iTrust.

The Acquisition, Construction Funding and the Additional Funding are collectively referred to as the “**Transaction**”.

¹ aVance, HITEC City, Hyderabad (“aVance Hyderabad”) was previously known as aVance Business Hub.

2. DETAILS OF THE TRANSACTION

- 2.1 On 21 May 2018, Ascendas Property Fund Trustee Pte. Ltd., as trustee-manager of a-iTrust announced, in connection with the forward purchase of 2 buildings (“**aVance 5**” and “**aVance 6**”) at HITEC City, Hyderabad, that:
- (a) its wholly owned subsidiaries, APFF, Deccan Real Ventures Private Limited (“**DRVPL**”) and Avance Atlas Infratech Private Limited (“**AAIPL**”), had entered into a subscription agreement (the “**Subscription Agreement**”) with the Developer, to subscribe to NCDs issued by the Developer;
 - (b) its wholly owned subsidiaries, Ascendas IT Park (Chennai) Limited (“**AITPL**”) and Information Technology Park Limited (“**ITPL**”) had entered into a loan agreement (the “**Loan Agreement**”) with the Developer and shareholders of the Developer, Phoenix Infratech (India) Private Limited (“**PIIPL**”) and Phoenix Urban Infrastructure Private Limited (“**PUIPL**”), to provide ICDs to repay the Developer’s existing loans;
 - (c) DRVPL, a wholly owned subsidiary of a-iTrust, had entered into a conditional share purchase agreement (the “**SPA**”) with PIPL and PUIPL, the existing shareholders of the Developer, to acquire a 100% interest in the Developer.
- 2.2 aVance Hyderabad (the “**Project**”) is an approved information technology (“**IT**”) / information technology enabled services (“**ITES**”) Special Economic Zone (“**SEZ**”). The Project is being developed on 25.68 acres of land and consists of 10 buildings with a total area of approximately 4.6 million square feet, of which nine buildings of approximately 3.4 million square feet have been completed and leased to leading IT companies. To date, a-iTrust has acquired four buildings in the Project totalling 1.5 million square feet and has entered into a forward purchase arrangement for the acquisition of aVance 5 & 6.
- 2.3 aVance 6 is completed, while aVance 5 is still under construction due to various reasons, including COVID-19 delays. aVance 5 should be ready by the second half of 2021.
- 2.4 It was intended that a-iTrust would acquire aVance 5 and aVance 6 together by paying a top-up consideration, based on the leasing level at the time of acquisition. In view of the delays affecting aVance 5, the Developer has demerged aVance 5 and aVance 6 (the “**Demerger**”) such that aVance 6 is now held under PIIIPL, while aVance 5 continues to be held by the Developer, PIPL.
- 2.5 The Acquisition involves the purchase of aVance 6 by APFI from the shareholders of PIIIPL. aVance 6 is a fully operational and tenanted IT SEZ building with a total area of approximately 0.64 million square feet, of which approximately 98.3% of the total floor area is leased to Amazon Development Center (India) Private Limited (“**Amazon**”).
- 2.6 APFI and APFF have entered into the Securities Purchase Agreement and Share Purchase Agreement with the shareholders of PIIIPL pursuant to which (a) APFI shall acquire, in two phases, a 100.0% interest in PIIIPL, which holds aVance 6, (b) APFF shall acquire NCDs in PIIIPL from the existing NCD holders, amounting up to INR 1.05

billion (SGD 19.05 million²), and (c) APFF will subscribe to NCDs of PIIIPL amounting up to INR 1.35 billion (SGD 24.55 million) to provide an advance towards the purchase of shares of PIPL by PIIIPL, such payment to be eventually offset at the time of acquisition of PIPL by PIIIPL.

- 2.7 The gross consideration for the Acquisition is approximately up to INR 5.06 billion³ (SGD 92.03 million), determined after taking into account the agreed capitalisation rates, rent, and leasing level and is expected to be fully funded by bank borrowings. Completion of the Acquisition is subject to certain conditions precedent.
- 2.8 APFF proposes to fund an additional amount of approximately up to INR 0.70 billion (SGD 12.73 million) to complete the construction of aVance 5 (owned by PIPL), in the form of additional NCD infusion into PIPL. A large multi-national corporation has executed a Letter of Intent to lease aVance 5 and this will significantly expedite the acquisition by a-iTrust of PIPL.
- 2.9 VITP proposes to fund approximately up to INR 1.0 billion (SGD 18.18 million) to PTHPL by way of Inter-Corporate Deposits, to be utilised towards payment of outstanding dues and obtaining additional land, which will be mortgaged to a-iTrust as additional security for loans provided to PIPL by a-iTrust.
- 2.10 The Trustee-Manager has engaged Savills Property Services (India) Private Limited to carry out an independent valuation of aVance 6 as of 31 December 2020. The “open market value” of aVance 6 is determined to be approximately INR 5.54 billion (SGD 100.73 million) (based on the discounted cash flow method and the income capitalisation approach).

3. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS

As at the date of this announcement, certain directors of the Trustee-Manager collectively hold an aggregate direct and indirect interest in 726,849 Units.

Mr Manohar Khiatani, who is the Deputy Chairman and a Non-Executive Director of the Trustee-Manager, is a Senior Executive Director of CapitaLand Ltd. (“**CapitaLand**”). Mr Jonathan Yap, who is a Non-Executive Director of the Trustee-Manager, is the President of CapitaLand Financial. Mr Manohar Khiatani and Mr Jonathan Yap are also Directors of CapitaLand India Pte. Ltd. (the “**Sponsor**”).

The Sponsor and the Trustee-Manager are indirect, wholly owned subsidiaries of CapitaLand. As at the date of this announcement and based on information available to the Trustee-Manager, the Sponsor and the Trustee-Manager hold an aggregate direct and indirect interest in 247,867,304 Units, which is equivalent to 21.53% of the total number of Units in issue.

Save as disclosed above and based on information available to the Trustee-Manager as at the date of this announcement, none of the Directors or the Controlling Unitholder(s)⁴ have any interest, direct or indirect, in the funding and the acquisition.

² Based on an exchange rate of SGD 1 to INR 55.0 used throughout this announcement.

³ Excludes transaction expenses (acquisition fee payable to the Trustee-Manager, stamp duty, professional and other fees, and acquisition expenses) and gross consideration is subject to adjustment based on the balance sheet of Phoenix IT Infrastructure India Private Limited (being the vehicle holding aVance 6 on completion of the transaction)

⁴ “Controlling Unitholders” refers to any person(s) with an interest in Units constituting not less than 15.0% of all Units in issue.

4. VOLUNTARY DISCLOSURE

The Transaction is in the ordinary course of a-iTrust's business and does not fall under Chapter 10 of the SGX-ST Listing Manual. Notwithstanding that, the Trustee-Manager is voluntarily announcing the Transaction in consonance with Rule 1010 of the SGX-ST Listing Manual as a matter of good corporate governance.

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

5. DOCUMENTS FOR INSPECTION

A copy of the Securities Purchase Agreement, Share Purchase Agreement, Amended Debenture Subscription Agreement and Inter-Corporate Deposit Agreement are available for inspection during normal business hours at the registered office of the Trustee-Manager at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912 for a period of three months commencing from the date of this announcement.

By Order of the Board

Mary Judith de Souza
Company Secretary
Ascendas Property Fund Trustee Pte. Ltd.

(Company Registration No. 200412730D)
as Trustee-Manager of a-iTrust
16 February 2021

Important Notice

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

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

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

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