

CIRCULAR DATED 8 NOVEMBER 2017

THIS CIRCULAR IS ISSUED BY INDIABULLS PROPERTY MANAGEMENT TRUSTEE PTE. LTD. AS THE TRUSTEE-MANAGER OF INDIABULLS PROPERTIES INVESTMENT TRUST. THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS (AS DEFINED HEREIN) AND THE ADVICE OF PROVENANCE CAPITAL PTE. LTD. TO THE INDEPENDENT DIRECTORS. THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION AND YOU SHOULD READ IT CAREFULLY.

If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your Units (as defined herein), you should immediately hand this Circular to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee. The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

INDIABULLS PROPERTIES INVESTMENT TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 7 May 2008,
as amended by a first supplemental deed dated 29 May 2008)
(Registration Number: 2008001)

Managed by

INDIABULLS PROPERTY MANAGEMENT TRUSTEE PTE. LTD.

CIRCULAR TO UNITHOLDERS

in relation to the

VOLUNTARY UNCONDITIONAL CASH OFFER

by

DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200200144N)

for and on behalf of

BRENFORMEXA LIMITED

(Incorporated in Cyprus)
(Company Registration Number: HE244006)

an indirect wholly-owned subsidiary of

INDIABULLS REAL ESTATE LIMITED

(Incorporated in India)
(Company Registration Number: L45101DL2006PLC148314)

to acquire all the issued Units other than those already owned, controlled or agreed to be acquired by Brenformexa Limited, its related corporations or their respective nominees

Independent Financial Adviser to the Independent Directors



PROVENANCECAPITAL

PROVENANCE CAPITAL PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200309056E)

UNITHOLDERS SHOULD NOTE THAT THE OFFER DOCUMENT (AS DEFINED HEREIN) STATES THAT ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF OFFER AT 5:30 P.M. (SINGAPORE TIME) ON 22 NOVEMBER 2017.

THE OFFEROR HAS ANNOUNCED THAT IT DOES NOT INTEND TO REVISE THE OFFER OR EXTEND THE OFFER BEYOND 5.30 P.M. (SINGAPORE TIME) ON 22 NOVEMBER 2017, AND HAS GIVEN NOTICE THAT THE OFFER WILL NOT BE OPEN FOR ACCEPTANCE BEYOND 5.30 P.M. (SINGAPORE TIME) ON 22 NOVEMBER 2017.

THE OFFEROR HAS ANNOUNCED THAT IT HAS BECOME ENTITLED TO EXERCISE THE RIGHT OF COMPULSORY ACQUISITION UNDER SECTION 40A(1) OF THE BUSINESS TRUSTS ACT (AS DEFINED HEREIN). ON 2 NOVEMBER 2017, THE OFFEROR HAS DESPATCHED TO UNITHOLDERS WHO HAVE NOT ACCEPTED THE OFFER A LETTER IN RESPECT OF ITS RIGHT OF COMPULSORY ACQUISITION UNDER SECTION 40A(1) OF THE BUSINESS TRUSTS ACT. ACCORDINGLY, UNITHOLDERS SHOULD NOTE THAT EVEN IF THEY DO NOT ACCEPT THE OFFER, THE OFFEROR WILL COMPULSORILY ACQUIRE THEIR UNITS AT A PRICE EQUAL TO THE OFFER PRICE WHEN THE OFFEROR EXERCISES ITS RIGHT OF COMPULSORY ACQUISITION.

CONTENTS

	PAGE
DEFINITIONS	3
FORWARD-LOOKING STATEMENTS	7
SUMMARY TIMETABLE	8
LETTER TO UNITHOLDERS	
1. INTRODUCTION	9
2. THE OFFER	10
3. DESCRIPTION OF THE OFFEROR AND IBREL	11
4. IRREVOCABLE UNDERTAKING	12
5. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS RELATING TO IPIT	13
6. DIRECTORS' INTERESTS	15
7. ADVICE AND RECOMMENDATIONS IN RELATION TO THE OFFER	15
8. OVERSEAS UNITHOLDERS	17
9. INFORMATION PERTAINING TO CPFIS INVESTORS AND SRS INVESTORS	18
10. ACTION TO BE TAKEN BY UNITHOLDERS	19
11. RESPONSIBILITY STATEMENT	19
APPENDIX 1 LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER	20
APPENDIX 2 ADDITIONAL GENERAL INFORMATION	45
APPENDIX 3 EXTRACTS OF RELEVANT PROVISIONS IN THE TRUST DEED	52
APPENDIX 4 EXTRACTS OF THE VALUATION REPORTS	68

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

“1QFY2018”	: The three months ended 30 June 2017
“1QFY2018 Results”	: The unaudited consolidated financial statements of the Group for 1QFY2018
“Accepting Unitholder”	: A Unitholder who validly accepts the Offer
“Board”	: The board of directors of the Trustee-Manager
“Business Day”	: A day other than Saturday, Sunday or a public holiday on which banks are open for business in Singapore
“Business Trusts Act”	: The Business Trusts Act, Chapter 31A of Singapore
“CDP”	: The Central Depository (Pte) Limited
“Circular”	: This circular to Unitholders dated 8 November 2017 in relation to the Offer
“Closing Date”	: 5.30 p.m. (Singapore time) on 22 November 2017, being the last day for the lodgement of acceptances of the Offer
“Code”	: The Singapore Code on Take-overs and Mergers
“Companies Act”	: The Companies Act, Chapter 50 of Singapore
“Compulsory Acquisition Letter”	: The letter dated 2 November 2017 despatched by the Offeror to Unitholders who have not accepted the Offer in respect of the compulsory acquisition of the Offer Units by the Offeror pursuant to Section 40A(1) of the Business Trusts Act and rights pursuant to Section 40A(4) of the Business Trusts Act
“CPF”	: The Central Provident Fund
“CPF Agent Banks”	: Agent banks included under the CPFIS
“CPFIS”	: Central Provident Fund Investment Scheme
“CPFIS Investors”	: Investors who have purchased Units using their CPF savings pursuant to the CPFIS
“Directors”	: The directors of the Trustee-Manager as at the Latest Practicable Date, and “Director” means any one of them
“Distributions”	: In respect of the Offer Units, any dividends, rights, other distributions and/or return of capital
“DTCF”	: Deloitte & Touche Corporate Finance Pte Ltd, being the financial adviser to the Offeror in relation to the Offer
“Encumbrance”	: Any claim, charge, lien, pledge, mortgage, encumbrance, hypothecation, retention of title, power of sale, declaration of trust, equity, option, right of pre-emption, restriction, right of first refusal or other third-party right or interest of any nature whatsoever or any agreement, arrangement or obligation to create any of the foregoing

“Excluded Directors”	: Shall have the meaning ascribed to it in Section 7.2 of this Circular
“FAA”	: The Form of Acceptance and Authorisation for Offer Units in respect of the Offer, applicable to Unitholders whose Offer Units are deposited with CDP and which forms part of the Offer Document
“Final Settlement Date”	: The last settlement date in respect of the Offer for all the Offer Units validly tendered in acceptance of the Offer, being a date falling after the Closing Date but on or before the expiry of seven Business Days from the Closing Date
“FY”	: Financial year ended or ending 31 March, as the case may be
“Group”	: IPIT and its subsidiaries
“IBREL”	: Indiabulls Real Estate Limited
“IFA”	: Provenance Capital Pte. Ltd., the independent financial adviser to the Independent Directors in respect of the Offer
“IFA Letter”	: The letter dated 8 November 2017 from the IFA to the Independent Directors in respect of the Offer as set out in Appendix 1 to this Circular
“Independent Directors”	: The Directors of the Trustee-Manager who are considered independent for the purposes of the Offer, namely Mr Gurbachan Singh, Mr Sri Murali s/o Sinnothei Renganathan and Ms Savita Singh
“IPIT Securities”	: (a) Units; (b) securities which carry voting rights in the Trust; and (c) convertible securities, warrants, options or derivatives in respect of the Units or securities which carry voting rights in the Trust
“Irrevocable Undertaking”	: The irrevocable undertaking described in section 7 of the Offer Document, which is reproduced in Section 4 of this Circular
“Latest Practicable Date”	: 2 November 2017, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	: The Listing Manual of the SGX-ST
“Market Day”	: A day on which the SGX-ST is open for trading of securities
“Offer”	: The voluntary unconditional cash offer made by DTCF, for and on behalf of the Offeror, for all the Offer Units on the terms and subject to the conditions set out in the Offer Document and the FAA
“Offer Announcement”	: The announcement of the Offer released by DTCF, for and on behalf of the Offeror, on the Offer Announcement Date
“Offer Announcement Date”	: 11 October 2017, being the date of the Offer Announcement
“Offer Document”	: The offer document dated 25 October 2017, including the FAA, issued by DTCF for and on behalf of the Offeror in respect of the Offer, and any other document(s) which may be issued by or on behalf of the Offeror, to supplement or update the document(s) from time to time

“Offer Price”	: S\$0.90 in cash for each Offer Unit validly tendered in acceptance of the Offer
“Offer Units”	: All the Units not already owned, controlled or agreed to be acquired by the Offeror, its related corporations or their respective nominees
“Offeror”	: Brenformexa Limited
“Offeror Securities”	: (a) Ordinary shares in the capital of the Offeror; (b) securities which carry substantially the same rights as any ordinary shares in the capital of the Offeror; and (c) convertible securities, warrants, options and derivatives in respect of any ordinary shares in the capital of the Offeror or such securities in (b)
“Overseas Unitholders”	: Unitholders whose addresses as shown in the records of CDP are outside Singapore
“Properties”	: The properties referred to in the extract of the valuation summary report as set out in Appendix 4 to this Circular
“Register”	: The register of holders of the Units, as maintained by the Registrar
“Registrar”	: Boardroom Corporate & Advisory Services Pte. Ltd.
“Relevant Period”	: The period commencing three months prior to the Offer Announcement Date and ending on the Latest Practicable Date
“SFA”	: The Securities and Futures Act, Chapter 289 of Singapore
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“SGXNET”	: Singapore Exchange Network, a system network used by listed companies when sending information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
“SIC”	: Securities Industry Council of Singapore
“SRS”	: Supplementary Retirement Scheme
“SRS Agent Banks”	: Agent banks included under the SRS
“SRS Investors”	: Investors who have purchased Units using their SRS contributions pursuant to the SRS
“Trust” or “IPIT”	: Indiabulls Properties Investment Trust
“Trust Deed”	: The deed of trust constituting IPIT dated 7 May 2008 (as amended by a first supplemental deed dated 29 May 2008)
“Trustee-Manager”	: Indiabulls Property Management Trustee Pte. Ltd.
“Unitholders”	: Holders of the Units as indicated in the Depository Register
“Units”	: Units in the Trust in issue

“Valuer” : Knight Frank (India) Private Limited

Units and currencies

“S\$” : The lawful currency of the Republic of Singapore

“%” or “per cent.” : Percentage or per centum

Acting in Concert and Associated Company. Unless otherwise defined, the expressions **“acting in concert”** and **“associated company”** shall have the same meanings as ascribed to them respectively in the Code.

Announcements and notices. References to the making of an announcement or the giving of notice by the Trust shall include the release of an announcement by the Trust or its agents, for and on behalf of the Trust, to the press or the delivery of or transmission by telephone, telex, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified to the SGX-ST simultaneously.

Extracts. Statements which are reproduced in their entirety from the Offer Document, the IFA Letter and the Trust Deed are set out in this Circular within quotes and/or in italics, and capitalised terms used within these reproduced statements shall bear the same meanings as attributed to them in the Offer Document, the IFA Letter and the Trust Deed respectively, unless otherwise defined herein.

Depository Related Terms. The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Expressions. Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Offer Document. References to **“Offer Document”** shall include the FAA, unless the context otherwise requires.

Rounding. Any discrepancies in the figures in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, the figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Unitholders. References to **“you”**, **“your”** and **“yours”** in this Circular are, as the context so determines, to Unitholders.

Statutes. Any reference in this Circular to any enactment or statutory provision is a reference to that enactment or statutory provision as for the time being amended or re-enacted. Any word defined under the Business Trusts Act, the Companies Act, the Code, the Listing Manual, the SFA or any modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning as ascribed to it under the Business Trusts Act, the Companies Act, the Code, the Listing Manual, the SFA or any modification thereof, as the case may be, unless the context otherwise requires.

Subsidiary and Related Corporation. The terms **“subsidiary”** and **“related corporation”** shall have the meanings ascribed to them in Sections 5 and 6 of the Companies Act respectively.

Time and Date. Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date, respectively, unless otherwise stated.

Total number of Units as at the Latest Practicable Date. Any reference in this Circular to the total Units in issue as at the Latest Practicable Date is a reference to a total of 754,028,697 issued Units.

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Trustee-Manager’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Unitholders should not place undue reliance on such forward-looking statements, and neither the Trustee-Manager nor the IFA guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward looking statements, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

SUMMARY TIMETABLE

Date of despatch of Offer Document	:	25 October 2017
Date of despatch of Circular	:	8 November 2017
Closing Date of the Offer ⁽¹⁾	:	5.30 p.m. (Singapore time) on 22 November 2017
Date of settlement in respect of the Offer ⁽¹⁾	:	In respect of valid and complete acceptances received before the Closing Date, within seven Business Days after the date of receipt of each such acceptance
Final Settlement Date in respect of the Offer ⁽¹⁾	:	Within seven Business Days after the Closing Date

Note:

(1) Please refer to appendix 1 to the Offer Document for further details.

INDIABULLS PROPERTY MANAGEMENT TRUSTEE PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200720456G)
(as trustee-manager of Indiabulls Properties Investment Trust)

LETTER TO UNITHOLDERS

Board of Directors of the Trustee-Manager:

Mr Gurbachan Singh (Chairman and Independent Director)
Mr Sri Murali s/o Sinnotheri Renganathan (Independent Director)
Mr Mehul Charles Christopher Johnson (Non-Executive Director)
Ms Savita Singh (Independent Director)
Mr Kubeir Khera (Non-Executive Director)

Registered Office:

38 Beach Road
#29-11
South Beach Tower
Singapore 189767

8 November 2017

To: The Unitholders of Indiabulls Properties Investment Trust

Dear Sir / Madam

VOLUNTARY UNCONDITIONAL CASH OFFER BY DTCF FOR AND ON BEHALF OF THE OFFEROR

1. INTRODUCTION

1.1 Offer Announcement.

On 11 October 2017, DTCF announced, for and on behalf of the Offeror, an indirect wholly-owned subsidiary of IBREL, *inter alia*, that the Offeror intends to make a voluntary unconditional cash offer to acquire all of the Offer Units.

A copy of the Offer Announcement is available on the website of the SGX-ST at www.sgx.com.

1.2 Offer Document.

Unitholders should by now have received a copy of the Offer Document as announced by DTCF to have been despatched on 25 October 2017, setting out, *inter alia*, the terms and conditions of the Offer. The principal terms and conditions of the Offer are set out in section 2 of the Offer Document.

Unitholders are urged to read the terms and conditions of the Offer set out in the Offer Document carefully.

A copy of the Offer Document is available on the website of the SGX-ST at www.sgx.com.

1.3 Purpose of this Circular.

The purpose of this Circular is to provide Unitholders with relevant information pertaining to the Offer, and to set out the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the Offer.

Unitholders should read the Offer Document, this Circular and the IFA Letter set out in Appendix 1 to this Circular carefully and consider the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors before deciding whether or not to accept the Offer.

If you are in any doubt about the Offer or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

2. THE OFFER

Based on the information set out in the Offer Document, DTCF has, for and on behalf of the Offeror, made the Offer in accordance with Section 139 of the SFA and the Code, to acquire all the Offer Units on the terms and subject to the conditions set out in the Offer Document and the FAA on the basis reproduced below.

2.1 Offer Price.

Section 2.3 of the Offer Document states that the price for each Offer Unit will be as follows:

For each Offer Unit: S\$0.90 in cash (the “Offer Price”).

Unitholders should note that the Offer Document states that the Offer Price is final and that the Offeror does not intend to revise the Offer Price.

2.2 Offer Units.

Section 2.2 of the Offer Document states that the Offeror will make the Offer for all the Units not already owned, controlled or agreed to be acquired by the Offeror, its related corporations or their respective nominees (the “Offer Units”).

2.3 No Encumbrances.

Section 2.4 of the Offer Document states that the Offer Units will be acquired (a) fully paid; (b) free from any Encumbrances; and (c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions announced, declared, paid or made by IPIT on or after the Offer Announcement Date.

2.4 Adjustments for Distributions.

Section 2.5 of the Offer Document states the adjustments to the Offer Price for Distributions, and is reproduced in italics below:

“2.5 Adjustment for Distributions. *In the event any Distribution is declared, paid or made by IPIT in respect of the Offer Units on or after the Offer Announcement Date to an Accepting Unitholder, the Offer Price payable to such Accepting Unitholder shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Units tendered in acceptance of the Offer by the Accepting Unitholder falls, as follows:*

2.5.1 *if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution (the “Books Closure Date”), the Offer Price for each Offer Unit shall remain unadjusted and the Offeror shall pay the Accepting Unitholder the unadjusted Offer Price for each Offer Unit, as the Offeror will receive the Distribution in respect of such Offer Unit from IPIT; or*

2.5.2 *if such settlement date falls after the Books Closure Date, the Offer Price for each Offer Unit shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Unit (the Offer Price after such reduction, the “Adjusted Offer Price”) and the Offeror shall pay the Accepting Unitholder the Adjusted Offer Price for each Offer Unit, as the Offeror will not receive the Distribution in respect of such Offer Unit from IPIT.”*

2.5 No Conditions.

Section 2.7 of the Offer Document states that the Offer is unconditional in all respects.

2.6 No Options.

Section 2.8 of the Offer Document states that as at the latest practicable date of the Offer Document, based on the latest information available to the Offeror, there are no outstanding options exercisable in respect of the Units.

2.7 Warranty.

Section 2.9 of the Offer Document states that a Unitholder who tenders his Offer Units in acceptance of the Offer will be deemed to unconditionally and irrevocably warrant that he sells such Offer Units as or on behalf of the beneficial owner(s) thereof (a) fully paid; (b) free from all Encumbrances; and (c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any) declared, paid or made by IPIT in respect of the Offer Units on or after the Offer Announcement Date.

2.8 Duration of the Offer.

The information on the duration of the Offer is set out in section 2.6 of the Offer Document, and is reproduced in italics below:

“2.6 No Extension of Closing Date. The Offer is open for acceptance by the Unitholders for 28 days from the Despatch Date, unless the Offer is withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder. Accordingly, the Offer will close at 5.30 p.m. (Singapore time) on 22 November 2017, being the Closing Date. Notice is hereby given, pursuant to Rule 22.6 of the Code, that the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Closing Date.”

2.9 Details of the Offer.

The Offer is made in accordance with the principal terms and conditions as set out in the Offer Document. Further details on, *inter alia*, (a) the duration of the Offer; (b) the settlement of the consideration for the Offer, and (c) the requirements relating to the announcement of the level of acceptances of the Offer are set out in appendix 1 to the Offer Document.

2.10 Procedures for Acceptance.

Appendix 2 to the Offer Document sets out the procedures for acceptance of the Offer by a Unitholder.

3. DESCRIPTION OF THE OFFEROR AND IBREL

The information on the Offeror and IBREL is set out in section 5 of the Offer Document, and is reproduced in italics below:

“5. DESCRIPTION OF THE OFFEROR AND IBREL

5.1 The Offeror. *The Offeror is a company incorporated in Cyprus on 29 December 2008. Its principal activities are the provision of construction (including construction of infrastructure like roads and bridges) and construction planning services and advisory services related thereto. The Offeror is an indirect wholly-owned subsidiary of IBREL. The director of the Offeror is Hamervate Limited.*

As at the Latest Practicable Date, the Offeror and parties acting in concert with the Offeror (including the Farallon Group) hold in aggregate 736,082,671 Units, representing approximately 97.62 per cent. of the total Units.¹

Appendix 3 *to this Offer Document sets out additional information on the Offeror.*

¹ “For the purposes of the Offer, the Farallon Group is presumed to be acting in concert with the Offeror. Please see Section 7.4 of this Offer Document for more information.”

- 5.2 IBREL.** IBREL is a company incorporated in India, the securities of which are listed on the following stock exchanges: (i) equity shares are listed on BSE Limited and National Stock Exchange of India Limited, and (ii) global depository receipts are listed on the Luxembourg Stock Exchange. The businesses that IBREL is engaged in either directly or through its subsidiaries include, inter alia, construction and development of properties, project management, advisory and construction services, real estate development, consultancy services on engineering, industrial and technical matters to various industries such as companies engaged in construction-development of real estate, etc..

As at the Latest Practicable Date, the directors of IBREL are Mr. Sameer Gehlaut, Mr. Narendra Gehlaut, Mr. Gurbans Singh, Mr. Vishal Damani, Justice (Retd) Bisheshwar Prasad Singh, Justice (Retd) Gyan Sudha Misra, Mr. Shamsher Singh Ahlawat and Brig. Labh Singh Sitara.

Appendix 4 to this Offer Document sets out additional information on IBREL.”

4. IRREVOCABLE UNDERTAKING

Section 7 of the Offer Document sets out certain information relating to the Irrevocable Undertaking, and is reproduced in italics below:

“7. IRREVOCABLE UNDERTAKING

- 7.1 Irrevocable Undertaking.** As at the Latest Practicable Date, FIM has provided an irrevocable undertaking (the **“Irrevocable Undertaking”**) to the Offeror pursuant to which FIM, inter alia, will, and shall procure that each of the funds or entities managed by Farallon Capital Management LLC or its affiliates holding Units (collectively, the **“Farallon Group”**) will, tender or procure to tender all the Units that the Farallon Group holds or controls in aggregate as at the date of the Irrevocable Undertaking and any other Units which any member of the Farallon Group may subsequently acquire (directly or indirectly or through a nominee) after the date of the Irrevocable Undertaking in acceptance of the Offer by not later than 5 p.m. (Singapore time) on the fifth Business Day after the Despatch Date.

As at the Latest Practicable Date, the Farallon Group holds in aggregate 321,776,468 Units (the **“Farallon Units”**), representing approximately 42.67 per cent. of the total Units and approximately 94.72 per cent. of the Offer Units.

Based on the Irrevocable Undertaking, details of the Farallon Group and the number of Units to be tendered in acceptance of the Offer by each member of Farallon Group pursuant to the Irrevocable Undertaking are as follows:

Name of Member of Farallon Group	No. of Units	Percentage of Issued Units (%)
<i>Dazbog Holdings AFC Limited</i>	<i>6,034,470</i>	<i>0.80</i>
<i>Dazbog Holdings BFC Limited</i>	<i>5,410,215</i>	<i>0.72</i>
<i>Dazbog Holdings CFC Limited</i>	<i>1,456,596</i>	<i>0.19</i>
<i>Dazbog Holdings MFC Limited</i>	<i>1,456,596</i>	<i>0.19</i>
<i>Dazbog Holdings UFC Limited</i>	<i>624,256</i>	<i>0.08</i>
<i>Farallon Special Situations Partners II LP</i>	<i>5,826,385</i>	<i>0.77</i>
<i>FIM Ltd</i>	<i>300,967,950</i>	<i>39.91</i>
Total	321,776,468	42.67

- 7.2 Payment Arrangements in respect of FIM.** Pursuant to the terms of the Irrevocable Undertaking given by FIM, FIM has agreed that in respect of the aggregate Offer Price of S\$270,871,155 for the 300,967,950 Units held by FIM:

- 7.2.1** an amount of S\$106,765,156.32 shall be paid in cash within seven Business Days of such Units being tendered in accordance with this Offer Document; and

7.2.2 *an amount of S\$164,105,998.68, being the remainder of the aggregate Offer Price for the Units held by FIM, (the “**Deferred Offer Price**”) shall be satisfied by the issuance of a promissory note by the Offeror to FIM (the “**Promissory Note**”).*

*In addition, the IBREL Group and FIM have entered into certain credit support arrangements to secure the payment by the Offeror of the Deferred Offer Price to FIM (the “**Credit Support Arrangements**”).*

*Further details in respect of the Promissory Note and the Credit Support Arrangements are set out in **Appendix 7** to this Offer Document.*

7.3 Termination. *The Irrevocable Undertaking will terminate or lapse upon earlier of:*

7.3.1 *the Offer being withdrawn or lapsing for whatever reason;*

7.3.2 *the Offeror failing to release the Offer Announcement within three business days from the date of the Irrevocable Undertaking, or such other date as may be extended by the mutual agreement of the Offeror and FIM, subject to the requirements of the Code; and*

7.3.3 *the Offer not being formally made by the Offeror (by the posting of this Offer Document) within the time period prescribed under the Code (or such other date as the SIC may permit).*

7.4 SIC Rulings. *Pursuant to an application made by the Offeror to the SIC to seek certain rulings in relation to the Offer, the SIC has ruled that:*

7.4.1 *the Irrevocable Undertaking, the Promissory Note and the Credit Support Arrangements do not constitute special deals for the purposes of Rule 10 of the Code; and*

7.4.2 *the Offeror, IBREL and parties acting in concert with them (on the one hand) and the Farallon Group (on the other hand) would be regarded as parties acting in concert with respect to IPIT by virtue of the Irrevocable Undertaking, the Promissory Note and the Credit Support Arrangements.”*

5. RATIONALE FOR THE OFFER AND THE OFFEROR’S INTENTIONS IN RELATION TO IPIT

5.1 Rationale for the Offer and the Offeror’s Intentions in relation to IPIT.

The rationale for the Offer and the Offeror’s intentions relating to IPIT has been extracted from sections 8 and 9.1 of the Offer Document and reproduced in italics below:

“8. RATIONALE FOR THE OFFER

8.1 The 2016 Offer. *On 27 April 2016, Grapene, an indirect wholly-owned subsidiary of IBREL, had made a mandatory unconditional cash offer for all the Units, other than those already owned, controlled or acquired by Grapene, its related corporations or their respective nominees as at the date of the offer, at an offer price of S\$0.25 per Unit (the “**2016 Offer**”). As at the close of the 2016 Offer on 22 June 2016, Grapene and parties acting in concert with Grapene owned or controlled an aggregate of 414,306,203 Units, representing approximately 54.95 per cent. of the total number of Units. As a result of the 2016 Offer and taking into account the number of Units held by the Farallon Group as at the close of the 2016 Offer, the number of Units held by the public is approximately 2.38 per cent. and is below the required minimum public float requirement of 10 per cent. (the “**Unitholding Requirement**”) set out in the Listing Manual. Accordingly, trading in the Units has been suspended by the SGX-ST since 23 June 2016 (the “**Suspension of Trading**”).*

8.2 Intention to Delist and Privatisise IPIT. *The Offeror is making the Offer with a view to delist and privatise IPIT. The Offeror is of the view that the delisting and privatisation of IPIT will provide the Offeror and IPIT with the flexibility to manage and develop the existing investments of IPIT while exploring opportunities without the regulatory and compliance requirements associated with its listed status on the SGX-ST.*

8.3 Opportunity for Unitholders to Exit their Investment at an Attractive Valuation. *The Offer Price represents a premium of approximately 252.9 per cent. over the last transacted price per Unit of S\$0.255 on 21 June 2016, being the last full trading day of the Units on the SGX-ST preceding the Suspension of Trading (the “Last Trading Day”).*

The Offer Price represents a premium of approximately 259.7 per cent., 284.3 per cent. and 285.3 per cent. over the VWAP of the Units for the one-month, three-month and six-month periods up to and including the Last Trading Day, respectively. The Offer represents a clean cash exit opportunity for Unitholders to realise their entire investment in the Units at a premium over the historical traded prices of the Units without incurring brokerage or other trading costs, an opportunity that would otherwise not be available due to the Suspension of Trading.

9. THE OFFEROR’S INTENTIONS IN RELATION TO THE TRUST

9.1 The Offeror’s Future Plans for the Trust. *The Offeror intends for IPIT to continue its existing business activities and there are currently no plans to (i) introduce any major changes to the business of IPIT or the operations of any of its subsidiaries; (ii) re-deploy any of the fixed assets of IPIT; or (iii) discontinue the employment of any of the existing employees of IPIT or its subsidiaries, other than in the ordinary course of business.*

Separately, IBREL is considering the possibility of restructuring its business by segregating its commercial and leasing business segment (which may or may not involve the assets of IPIT) from its residential business segment (the “Potential Restructuring”), and has formed a committee comprising some of its directors and officers (the “Restructuring Committee”) to study the Potential Restructuring.

As at the Latest Practicable Date, no decision on the structure or implementation of the Potential Restructuring has been made, and there is no certainty that the Potential Restructuring will be effected. However, the Offeror retains the flexibility at any time to consider any options or opportunities in relation to IPIT which may present themselves and which the Offeror may regard to be in the best interests of IPIT.

*Further details in respect of the Potential Restructuring are set out in **Paragraph 1.2 of Appendix 8** to this Offer Document.”*

5.2 Compulsory Acquisition and Listing Status.

The Offeror’s intentions in relation to the compulsory acquisition and listing status of IPIT are set out in sections 9.2 and 9.3 of the Offer Document and reproduced in italics below:

“9.2 Compulsory Acquisition and Listing Status of IPIT. *Pursuant to Section 40A(1) of the Business Trusts Act, if the Offeror receives valid acceptances pursuant to the Offer or acquires Offer Units during the Offer Period otherwise than through valid acceptances of the Offer, in respect of not less than 90 per cent. of the Offer Units, the Offeror will be entitled to exercise the right to compulsorily acquire all the Units of the Unitholders who have not accepted the Offer (“Non-Assenting Unitholders”) on the same terms as those offered under the Offer.*

The Farallon Units represent 94.72 per cent. of the Offer Units. Accordingly, upon the tendering of the Farallon Units in acceptance of the Offer, the Offeror will be entitled, and intends, to exercise its right to compulsorily acquire all the Offer Units not acquired under the Offer. The Offeror will then proceed to delist IPIT from the SGX-ST.

If, for whatever reason, the Offeror is unable to exercise the right to compulsorily acquire all the Offer Units not acquired under the Offer, the Offeror and parties acting in concert with the Offeror do not intend to take or support any action to be taken to meet the Unitholding Requirement or maintain the present listing status of IPIT. Accordingly, the Offeror and parties acting in concert with the Offeror do not intend to place out any Units held by the Offeror and parties acting in concert with the Offeror to members of the public to meet the Unitholding Requirement and the Suspension in Trading will continue. It should be noted that under Rule 724 of the Listing Manual, the SGX-ST may delist IPIT, if the proportion of Units held by members of the public is not raised to at least 10 per cent. within a certain period of time.

9.3 Non-Assenting Unitholders' Right. *In addition, Non-Assenting Unitholders have the right, under and subject to Section 40A(4) of the Business Trusts Act, to require the Offeror to acquire their Units at the Offer Price in the event that the Offeror or its nominees acquire, pursuant to the Offer, such number of Offer Units which, together with the Units held by the Offeror, its related corporations and/or their respective nominees, comprise 90 per cent. or more of the total number of Units. Non-Assenting Unitholders who wish to exercise such rights are advised to seek their own independent legal advice."*

On 27 October 2017, DTCTF announced, for and on behalf of the Offeror, that as at 5.00 p.m. (Singapore time) on 27 October 2017, the Offeror had received valid acceptances pursuant to the Offer in respect of not less than 90 per cent. of the total number of Units in issue (other than those already held by the Offeror, its related corporations and their respective nominees as at the date of despatch of the Offer Document). The Offeror is therefore entitled to exercise its right under Section 40A(1) of the Business Trusts Act to compulsorily acquire, at the Offer Price of S\$0.90 for each Unit, all the Offer Units held by Unitholders who have not accepted the Offer. The Offeror will then proceed to delist IPIT from the SGX-ST.

The Offeror had, on 2 November 2017, despatched to Unitholders who have not accepted the Offer the Compulsory Acquisition Letter in respect of its right of compulsory acquisition pursuant to Section 40A(1) of the Business Trusts Act and the rights of Unitholders pursuant to Section 40A(4) of the Business Trusts Act. The Compulsory Acquisition Letter stated that as the Offeror will compulsorily acquire the remaining Offer Units in accordance with Section 40A(1) of the Business Trusts Act, Unitholders who have not accepted the Offer need not take any action in relation to their rights under Section 40A(4) of the Business Trusts Act. Unitholders who have not accepted the Offer who wish to exercise their right under Section 40A(4) of the Business Trusts Act or who are in doubt as to their position are advised to seek their own independent legal advice. A copy of the Compulsory Acquisition Letter to Unitholders is available on the website of the SGX-ST at www.sgx.com.

In view of the foregoing, Unitholders should note that even if they do not accept the Offer, the Offeror will compulsorily acquire their Units at a price equal to the Offer Price when the Offeror exercises its right of compulsory acquisition.

6. DIRECTORS' INTERESTS

Details of the Directors including, *inter alia*, the Directors' direct and deemed interests in IPIT Securities as at the Latest Practicable Date are set out in Appendix 2 to this Circular.

7. ADVICE AND RECOMMENDATIONS IN RELATION TO THE OFFER

7.1 Appointment of Independent Financial Adviser.

Provenance Capital Pte. Ltd. has been appointed as the independent financial adviser to the Independent Directors in respect of the Offer.

7.2 Independent Directors.

The Directors who are considered independent for the purposes of the Offer and who are required to make a recommendation to Unitholders in respect of the Offer are Mr Gurbachan Singh, Mr Sri Murali s/o Sinnosethei Renganathan and Ms Savita Singh.

On 14 June 2017, the SIC ruled that Mr Mehul Charles Christopher Johnson and Mr Kubeir Khera (the “**Excluded Directors**”) are exempted from the requirement to make or assume responsibility for any recommendation to the Unitholders in respect of the Offer as they face an irreconcilable conflict of interest for the following reasons:

- (a) Mr Mehul Charles Christopher Johnson is the President of IBREL and is responsible for the management of a large part of its business. In addition, he is a director of various subsidiaries of IBREL.
- (b) Mr Kubeir Khera is the Executive Vice President of IBREL and is currently head of sales and marketing. In addition, he is a director of various subsidiaries of IBREL.

All the Directors (including, for the avoidance of doubt, the Excluded Directors) are jointly and severally responsible for the accuracy of facts stated and completeness of the information given by the Trustee-Manager to Unitholders on the Offer, including information contained in announcements and documents issued by or on behalf of IPIT in connection with the Offer.

7.3 Advice of the IFA to the Independent Directors in relation to the Offer

The advice of the IFA to the Independent Directors on the Offer is set out in the IFA Letter annexed as Appendix 1 to this Circular. The key considerations relied upon by the IFA in arriving at its advice to the Independent Directors are set out in paragraph 8 of the IFA Letter.

The advice of the IFA to the Independent Directors in respect of the Offer as well as the key considerations relied upon have been extracted from the IFA Letter and is reproduced in italics below:

“8. OUR RECOMMENDATIONS TO THE INDEPENDENT DIRECTORS ON THE OFFER

In arriving at our recommendation in respect of the Offer, we have taken into account, reviewed and deliberated on the following key considerations which we consider to be pertinent in our assessment of the Offer:

- (a) Compulsory Acquisition by the Offeror;*
- (b) Market quotation and trading activity of the Units;*
- (c) Financial performance of the IPIT Group;*
- (d) NTA of the IPIT Group;*
- (e) Comparison against the 2016 Offer;*
- (f) Comparison with completed privatisation of property related companies, REITs and business trusts which are listed on the SGX-ST;*
- (g) Distribution track record of IPIT; and*
- (h) Other relevant considerations in relation to the Offer which may have a significant bearing on our assessment.*

Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the view that the financial terms of the Offer are fair and reasonable. Accordingly, we advise the Directors to recommend Unitholders to ACCEPT the Offer.

Unitholders should note that the Offeror has on 2 November 2017 given the relevant notice to the Non-Assenting Unitholders in relation to the compulsory acquisition pursuant to Section 40A(1) of the Business Trusts Act, Chapter 31A of Singapore. Hence, regardless of the decision of the minority Unitholders whether to accept or reject the Offer, the Offeror will be able to compulsorily acquire all their Units not acquired under the Offer at the Offer Price.”

Unitholders are advised to read and consider carefully the full text of the IFA Letter which is set out in Appendix 1 to this Circular.

7.4 Recommendations of the Independent Directors.

The Independent Directors, having considered carefully the terms of the Offer and the advice given by the IFA to the Independent Directors in the IFA Letter, have set out below their recommendation on the Offer:

Having taken the above matters into consideration, the Independent Directors concur with the advice of the IFA in respect of the Offer and accordingly recommend that Unitholders ACCEPT the Offer.

In rendering the above advice and making the above recommendation, the Independent Directors have not had regard to the specific investment objectives, financial situation, risk profiles, tax positions and/or unique needs and constraints of any individual Unitholder. As different Unitholders would have different investment profiles and objectives, the Independent Directors recommend that any individual Unitholder who may require specific advice in relation to his Units should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser.

Unitholders should read and consider carefully the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the Offer in their entirety before deciding whether to accept or reject the Offer. Unitholders are also urged to read the Offer Document carefully.

8. OVERSEAS UNITHOLDERS

Overseas Unitholders should refer to section 13 of the Offer Document, which is reproduced in italics below:

“13. OVERSEAS UNITHOLDERS

13.1 Overseas Unitholders. *This Offer Document, the FAA and/or any related documents do not constitute an offer to sell or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Offer Document, the FAA and/or any related documents in any jurisdiction in contravention of applicable law.*

For the avoidance of doubt, the Offer is open to all Unitholders, including those to whom this Offer Document, the FAA and/or any related documents may not be sent.

The availability of the Offer to Overseas Unitholders may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Unitholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

13.2 Copies of Documents. *Where there are potential restrictions on sending this Offer Document, the FAA and/or any related documents to any overseas jurisdictions, the Offeror and DTCF each reserves the right not to send this Offer Document, the FAA and/or any related documents to such overseas jurisdictions. Any affected Overseas Unitholder may nonetheless obtain copies of this Offer Document, the FAA and/or any related documents during normal business hours from CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588. Alternatively, an affected Overseas Unitholder may write to CDP at Robinson Road Post Office P.O. Box 1984, Singapore 903934 to request for this Offer Document, the FAA and/or any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to five Market Days prior to the Closing Date.*

13.3 Overseas Jurisdiction. *It is the responsibility of any Overseas Unitholder who wishes to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements. Such Overseas Unitholder shall be liable for any such taxes, imposts, duties or other requisite payments payable in such jurisdictions and the Offeror, its related corporations, DTCF, CDP, the Registrar and/or any other person acting on its behalf shall be fully indemnified and held harmless by such Overseas Unitholders for any such taxes, imposts, duties or other requisite payments as the Offeror, its related corporations, DTCF, CDP, the Registrar and/or any other person acting on its behalf may be required to pay. In (i) requesting for this Offer Document, the FAA and/or any related documents and (ii) accepting the Offer, the Overseas Unitholder represents and warrants to the Offeror and DTCF that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Unitholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.*

13.4 Notice. *The Offeror and DTCF each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all of the Unitholders (including Overseas Unitholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published and circulated in Singapore, in which case, such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Unitholder (including an Overseas Unitholder) to receive or see such announcement or advertisement.”*

This Circular and any related documents may not be sent to certain Overseas Unitholders due to the potential restrictions on sending such documents to overseas jurisdictions. Any affected Overseas Unitholder may, nevertheless, obtain copies of this Circular during normal business hours up to the Closing Date, from the offices of the Registrar at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623. Alternatively, any Overseas Unitholder may write to the Registrar at the aforementioned address to request for this Circular and any related documents to be sent to an address in Singapore by ordinary post at his own risk (the last date for despatch in respect of such request shall be a date falling five (5) Market Days prior to the Closing Date).

In requesting for this Circular and any related documents, each of the Overseas Unitholders represents and warrants to IPIT that each of them is in full observance of the laws of the relevant jurisdiction in that connection, and that each of them is in full compliance with all necessary formalities or legal requirements.

9. INFORMATION PERTAINING TO CPFIS INVESTORS AND SRS INVESTORS

CPFIS Investors and SRS Investors should refer to section 14.2 of the Offer Document, which is reproduced in italics below:

“14.2 Information Pertaining to CPFIS Investors and SRS Investors. *CPFIS Investors and SRS Investors should receive further information on how to accept the Offer from their respective CPF Agent Banks and SRS Agent Banks. CPFIS Investors and SRS Investors are advised to consult their respective CPF Agent Banks and SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice. CPFIS Investors and SRS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks and SRS Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks and SRS Agent Banks, which may be earlier than the Closing Date.*

CPFIS Investors and SRS Investors who validly accept the Offer through appropriate intermediaries will receive the Offer Price payable in respect of their Offer Units in their respective CPF investment accounts and SRS investment accounts.”

10. ACTION TO BE TAKEN BY UNITHOLDERS

Unitholders who wish to accept the Offer must do so not later than 5.30 p.m. (Singapore time) on 22 November 2017. **In the Offer Document, the Offeror has stated the Offer will close at 5.30 p.m. (Singapore time) on 22 November 2017, being the Closing Date, and has given notice that the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Closing Date.** Unitholders should refer to appendix 2 of the Offer Document and the accompanying FAA for the procedures for acceptance of the Offer.

Unitholders who do not wish to accept the Offer need not take any further action in respect of the Offer Document (including the FAA) which have been sent to them.

Unitholders should note that the Offeror has despatched to Unitholders the Compulsory Acquisition Letter in respect of its right of compulsory acquisition under section 40A(1) of the Business Trusts Act. Accordingly, even if Unitholders do not accept the Offer, the Offeror will compulsorily acquire their Units at a price equal to the Offer Price when the Offeror exercises its right of compulsory acquisition.

11. RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Circular) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Circular (other than (a) the IFA Letter (for which the IFA takes responsibility), (b) the information extracted from the Offer Announcement and the Offer Document, and (c) the information relating to the Offeror) are fair and accurate and no material facts have been omitted from this Circular, and they jointly and severally accept full responsibility accordingly.

In respect of the IFA Letter, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Group are factual and accurate.

The recommendation of the Independent Directors to the Unitholders set out in Section 7.4 of this Circular is the sole responsibility of the Independent Directors.

Where any information in this Circular has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this Circular.

Yours faithfully

For and on behalf of the
Board of Directors of
INDIABULLS PROPERTY MANAGEMENT TRUSTEE PTE. LTD.
As Trustee-Manager of
INDIABULLS PROPERTIES INVESTMENT TRUST

APPENDIX 1

LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

PROVENANCE CAPITAL PTE. LTD.

(Company Registration Number: 200309056E)
(Incorporated in the Republic of Singapore)
96 Robinson Road #13-01 SIF Building
Singapore 068899

8 November 2017

To: The Independent Directors of Indiabulls Property Management Trustee Pte. Ltd.,
as Trustee-Manager of Indiabulls Properties Investment Trust
(deemed to be independent in respect of the Offer)

Mr Gurbachan Singh	(Chairman and Independent Director)
Mr Sri Murali s/o Sinnothei Renganathan	(Independent Director)
Ms Savita Singh	(Independent Director)

Dear Sirs / Madam,

VOLUNTARY UNCONDITIONAL CASH OFFER BY DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD, FOR AND ON BEHALF OF BRENFORMEXA LIMITED, AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF INDIABULLS REAL ESTATE LIMITED, TO ACQUIRE ALL THE ISSUED UNITS IN INDIABULLS PROPERTIES INVESTMENT TRUST OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY BRENFORMEXA LIMITED, ITS RELATED CORPORATIONS OR THEIR RESPECTIVE NOMINEES

Unless otherwise defined or the context otherwise requires, all terms used herein have the same meanings as defined in the circular to the unitholders of Indiabulls Properties Investment Trust (“Unitholders”) dated 8 November 2017 (“Circular”). For the purpose of our IFA Letter, where applicable, we have used the foreign exchange (“FX”) rates of S\$1.00:INR48.0631 and US\$1.00:S\$1.3571 on 11 October 2017, being the Offer Announcement Date (unless otherwise stated). The above FX rates are based on the closing rates as at 5.00 p.m. (Singapore time) on 11 October 2017 as extracted from published information by Bloomberg L.P. and is provided solely for information only.

1. INTRODUCTION

1.1 Offer Announcement

On 11 October 2017 (“**Offer Announcement Date**”), Deloitte & Touche Corporate Finance Pte Ltd (“**DTCF**”) announced (“**Offer Announcement**”), for and on behalf of Brenformexa Limited (“**Offeror**”), an indirect wholly-owned subsidiary of Indiabulls Real Estate Limited (“**IBREL**”, and together with its subsidiaries, the “**IBREL Group**”), that the Offeror intends to make a voluntary unconditional cash offer (“**Offer**”) for all the issued units (“**Units**”) in Indiabulls Properties Investment Trust (“**IPIT**”, together with its subsidiaries, “**IPIT Group**”), other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations or their respective nominees (“**Offer Units**”) at the offer price of S\$0.90 in cash for each Offer Unit (“**Offer Price**”).

The Offer is unconditional in all respects.

As at the Offer Announcement Date, the Offeror and parties acting in concert with it (including the Farallon Group as defined below) hold in aggregate 736,082,671 Units, representing 97.62% of the total number of Units.¹

1.2 Irrevocable Undertaking

On the Offer Announcement Date, FIM Ltd (“**FIM**”) had provided an irrevocable undertaking (“**Irrevocable Undertaking**”) to the Offeror pursuant to which FIM, *inter alia*, will and shall

¹ For the purposes of the Offer, the Farallon Group is presumed to be acting in concert with the Offeror. Please see Section 1.2 for more information.

procure that each of the funds or entities managed by Farallon Capital Management LLC or its affiliates holding Units (collectively, "**Farallon Group**") will, tender or procure to tender all the Units that the Farallon Group holds or controls in acceptance of the Offer. As at the Offer Announcement Date, the Farallon Group holds in aggregate 321,776,468 Units ("**Farallon Units**") representing 42.67% of the total number of Units and 94.72% of the Offer Units.

Pursuant to the Irrevocable Undertaking, there are certain payment arrangements for the aggregate Offer Price for the Units held by FIM in the form of cash payment to FIM, issuance of promissory note by the Offeror to FIM ("**Promissory Note**") and credit support arrangements between the IBREL Group and FIM ("**Credit Support Arrangements**").

The Securities Industry Council of Singapore ("**SIC**") has ruled that the Offeror, IBREL and parties acting in concert with them (on the one hand) and the Farallon Group (on the other hand) would be regarded as parties acting in concert with respect to IPIT by virtue of the Irrevocable Undertaking, the Promissory Note and the Credit Support Arrangements.

1.3 2016 Offer, current Offer, compulsory acquisition and delisting

Trading in the Units has been suspended by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") since 23 June 2016 ("**Suspension of Trading**") pursuant to the loss of public float following the takeover offer of IPIT in April 2016 by Grapene Limited, another indirect wholly-owned subsidiary of IBREL ("**2016 Offer**"). However, the Units continued to be listed on the SGX-ST notwithstanding that trading of the Units was suspended on the SGX-ST. With respect to the 2016 Offer, the IBREL Group was unable to exercise the right of compulsory acquisition to acquire all the remaining Units to privatise IPIT due to the valid acceptances received remaining less than 90% of the Offer Units even though the Units held in the hands of the public were less than the minimum public float requirement of 10%.

In respect of the current Offer, in view of the Irrevocable Undertaking, upon the acceptance of the Offer by the Farallon Group, the Offeror will be able to exercise the right of compulsory acquisition to acquire all the remaining Offer Units not acquired under the Offer. Consequently, the IBREL Group will be able to privatise IPIT and proceed to delist IPIT from the SGX-ST.

On 27 October 2017, DTCF announced, for and on behalf of the Offeror, that as at 5.00 p.m. (Singapore time) on the same day, the Offeror has received valid acceptances of the Offer amounting to 321,776,468 Units and 1,251,282 Units representing 42.67% and 0.17% of the total number of Units from parties acting in concert with the Offeror and Unitholders other than the parties acting in concert with the Offeror respectively. Following from the above, the total number of Units owned, controlled or agreed to be acquired by the Offeror and its corporations and their respective nominees (including valid acceptances of the Offer) amount to an aggregate of 737,333,953 Units, representing 97.79% of the total number of Units.

As the Offeror has received valid acceptances pursuant to the Offer in respect of not less than 90% of the Offer Units, the Offeror is entitled, and intends, to exercise its right of compulsory acquisition pursuant to Section 40A(1) of the Business Trusts Act, Chapter 31A of Singapore ("**BTA**") to compulsorily acquire, at the Offer Price of S\$0.90 for each Unit, all the Offer Units of Unitholders who have not accepted the Offer ("**Non-Assenting Unitholders**") as at the close of the Offer.

In connection therewith, DTCF had announced, on 2 November 2017, for and on behalf of the Offeror, that the Offeror has given the relevant notice pursuant to Section 40A(1) of the BTA to the Non-Assenting Unitholders.

1.4 Our role as Independent Financial Adviser to the Offer

IPIT is a business trust registered pursuant to the BTA, with Indiabulls Property Management Trustee Pte. Ltd. as its trustee-manager ("**Trustee-Manager**"). The Trustee-Manager is under a duty to take into custody and hold the assets of IPIT on trust for and on behalf of the Unitholders.

In connection with the 2016 Offer, Provenance Capital Pte. Ltd. ("**Provenance Capital**") was appointed as the independent financial adviser ("**IFA**") to the Directors of the Trustee-Manager who are considered independent in respect of the 2016 Offer ("**Independent Directors**"), for the purpose of making their recommendation to the Unitholders in relation to the 2016 Offer. Our IFA opinion on the terms of the 2016 Offer is set out in the Circular to Unitholders dated 25 May 2016.

In connection with the current Offer, IPIT has re-appointed Provenance Capital as the IFA to the Independent Directors.

We note that the Directors of the Trustee-Manager have remained unchanged since the 2016 Offer, namely Mr Gurbachan Singh, Mr Sri Murali s/o Sinnothei Renganathan, Mr Mehul Charles Christopher Johnson, Ms Savita Singh and Mr Kubeir Khera. The non-executive Directors of the Trustee-Manager, Mr Mehul Charles Christopher Johnson and Mr Kubeir Khera are deemed non-independent as they are serving as the President and the Executive Vice President of IBREL respectively. The remaining Directors of the Trustee-Manager, namely, Mr Gurbachan Singh, Mr Sri Murali s/o Sinnothei Renganathan and Ms Savita Singh are deemed Independent Directors for the purpose of the Offer.

This letter ("**Letter**") is therefore addressed to the Independent Directors and sets out, *inter alia*, our evaluation and advice on the financial terms of the Offer and our recommendations on the Offer. This Letter forms part of the Circular which provides, *inter alia*, the details of the Offer and the recommendations of the Independent Directors on the Offer.

Unitholders should have received a copy of the Offer Document dated 25 October 2017, setting out *inter alia* the terms and conditions of the Offer. The Offer Document is also available on the SGXNET.

Unitholders should note that the Offeror has stated in the Offer Document that the Offer Price of S\$0.90 is final and the Offeror does not intend to revise the Offer Price. In addition, the Offeror has given the shut-off notice for the Offer to close at 5.30 p.m. (Singapore time) on 22 November 2017, being the Closing Date. Therefore, the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on 22 November 2017.

2. TERMS OF REFERENCE

Provenance Capital has been appointed as the IFA to advise the Independent Directors in respect of their recommendation to the Unitholders in relation to the Offer.

We have confined our evaluation and assessment to the financial terms of the Offer, and have not taken into account the commercial risks or commercial merits of the Offer. In addition, we have not been requested to, and we do not express any advice or give any opinion on the merits of the Offer relative to any other alternative transaction. We were not involved in the negotiations pertaining to the Offer nor were we involved in the deliberations leading up to the decision to put forth the Offer to the Unitholders.

The scope of our appointment does not require us to express, and we do not express, any view on the future growth prospects, financial position or earnings potential of the IPIT Group. Such evaluation or comments remain the responsibility of the Directors although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion. The opinion set forth herein is based solely on publicly available information as well as information provided by the Directors, and is predicated upon the economic and market conditions prevailing as at 2 November 2017, being the Latest Practicable Date as referred to in the Circular. This Letter therefore does not reflect any projections on the future financial performance of the IPIT Group.

We have not been requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Units. In that regard, we have not addressed the relative merits of the Offer in comparison with any alternative transaction IPIT may consider

in the future. Therefore, we do not express any views in these areas in arriving at our recommendation.

In formulating our opinion and recommendation, we have held discussions with the Directors and the management of the Trustee-Manager ("**Management**") and have relied to a considerable extent on the information set out in the Circular, other public information collated by us and the information, representations, opinions, facts and statements provided to us, whether written or verbal, by IPIT, the Trustee-Manager and its professional advisers. Whilst care has been exercised in reviewing the information we have relied upon, we have not independently verified the information both written and verbal and accordingly cannot and do not make any representation or warranty, expressly or impliedly, in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. Nonetheless, we have made reasonable enquiries and exercised our judgement on the reasonable use of such information and have found no reason to doubt the accuracy or reliability of such information.

The Directors have confirmed, having made all reasonable enquiries and to the best of their respective knowledge, information and belief, all material information in connection with the Offer and IPIT have been disclosed to us, that such information is true, complete and accurate in all material respects and that there is no other material information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to IPIT stated in the Circular to be inaccurate, incomplete or misleading in any material respect. The Directors have jointly and severally accepted full responsibility for such information described herein. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information.

We have not made an independent evaluation or appraisal of the assets and liabilities of IPIT (including without limitation, property, plant and equipment) and no valuation was commissioned by the Trustee-Manager for the purpose of the Offer.

However, the Trustee-Manager had commissioned the independent valuer, Knight Frank (India) Private Limited ("**Valuer**"), to carry out an independent market valuation of all the IPIT Group's investment properties and development properties for the purpose of the preparation of the financial results of the IPIT Group for the financial year ended 31 March 2017 ("**FY2017**"). A copy of the above independent property valuation summary report dated 31 March 2017 ("**Valuation Summary Report**") was provided to us, an extract of which is attached as Appendix 4 to the Circular ("**Extract of the Valuation Summary Report**").

The IPIT Group's properties being valued pertain to the following:

<i>Held by Indiabulls Properties Private Limited, 100.0% owned by the IPIT Group</i>	
Commercial component:	One Indiabulls Centre
Residential component:	Indiabulls Sky Indiabulls Sky Forest
Location:	City Survey No. 841 and 882 Senapati Bapat Marg (Tulsi pipeline Road) Lower Parel, Mumbai, Maharashtra India
<i>Held by Indiabulls Real Estate Company Private Limited, 100.0% owned by the IPIT Group</i>	
Commercial component:	Indiabulls Finance Centre Indiabulls commercial development at Indiabulls Finance Centre
Location:	City Survey No. 612/613 Senapati Bapat Marg (Tulsi pipeline Road) Lower Parel, Mumbai, Maharashtra India

Notwithstanding that the Valuation Summary Report was prepared for financial reporting purposes for FY2017 and not for the purpose of the Offer, the Trustee-Manager had sought confirmation from the Valuer that there is no material change in the market related assumptions since 31 March 2017 to the Latest Practicable Date which will result in any material difference in the market valuations of the properties held by the IPIT Group as at 31 March 2017.

We are not experts in the evaluation or appraisal of the assets concerned and we have placed sole reliance on the Valuation Summary Report for such asset appraisals and have not made any independent verification of the contents thereof. In particular, we do not assume any responsibility to enquire about the basis of the valuation contained in the Valuation Summary Report or if the contents thereof have been prepared and/or included in the Circular in accordance with all applicable regulatory requirements including the Code.

The information we had relied on in the assessment of the Offer was based on market, economic, industry, monetary and other conditions prevailing as at the Latest Practicable Date, which may change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion or assumptions in light of any subsequent development after the Latest Practicable Date that may affect our opinion or assumptions contained herein. Unitholders should take note of any announcements relevant to their consideration of the Offer, as the case may be, which may be released after the Latest Practicable Date.

In rendering our advice and giving our recommendation, we have not had regard to the specific investment objectives, financial situation, risk profiles, tax position or particular needs and constraints of any Unitholder. As each Unitholder may have different investment profiles and objectives, we advise the Directors to recommend that any Unitholder who may require specific advice in relation to his investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

IPIT and the Trustee-Manager have been separately advised by their own professional advisers in the preparation of the Circular. We have had no role or involvement and have not and will not provide any advice (financial or otherwise) in the preparation, review and verification of the Circular. Accordingly, we take no responsibility for and express no view, whether expressed or implied, on the contents of the Circular.

Whilst a copy of this Letter may be reproduced in the Circular, neither IPIT, the Trustee-Manager nor the Directors may reproduce, disseminate or quote this Letter (or any part thereof) for any other purposes at any time and in any manner, without the prior written consent of Provenance Capital in each specific case.

Our opinion is addressed to the Independent Directors for their benefit and deliberation of the Offer. The recommendation made to the Unitholders in relation to the Offer, as the case may be, shall remain the responsibility of the Independent Directors.

Our recommendation to the Independent Directors in relation to the Offer should be considered in the context of the entirety of this Letter and the Circular.

3. THE OFFER

The detailed terms and conditions of the Offer are set out in Section 2 and Appendix 1 to the Offer Document. The key terms of the Offer are set out below for your reference.

3.1 Offer Units

The Offer is extended, on the same terms and conditions, to all the Offer Units.

3.2 Offer Price

The price for each Offer Unit is:

For each Offer Unit: S\$0.90 in cash.

The Offer Price is final and the Offeror does not intend to revise the Offer Price.

3.3 No Encumbrances

The Offer Units will be acquired:

- (a) fully paid-up;
- (b) free from any Encumbrances; and
- (c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions declared, paid or made by IPIT in respect of the Units on or after the Offer Announcement Date.

In the event any Distribution is declared, paid or made by IPIT in respect of the Offer Units on or after the Offer Announcement Date to an Unitholder who accepts or has accepted the Offer ("**Accepting Unitholder**"), and the settlement date in respect of the Offer Units accepted pursuant to the Offer falls after the books closure date for the determination of entitlements to such Distribution, the Offer Price shall be reduced by the amount of such Distribution in respect of each Offer Unit ("**Adjusted Offer Price**") and the Offeror shall pay the Accepting Unitholder the Adjusted Offer Price for each Offer Unit, as the Offeror will not receive the Distribution in respect of such Offer Unit from IPIT.

Since the Offer Announcement Date and up to the Latest Practicable Date, we note that IPIT has not made or declared any dividend, right, distribution or return of capital.

3.4 Unconditional Offer

The Offer is unconditional in all respects.

3.5 Warranty

A Unitholder who tenders his Offer Units in acceptance of the Offer will be deemed to unconditionally and irrevocably warrant that he sells such Offer Units as or on behalf of the beneficial owner(s) thereof (i) fully paid, (ii) free from all Encumbrances, and (iii) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any) declared, paid or made by IPIT in respect of the Offer Units on or after the Offer Announcement Date.

3.6 No extension of Closing Date

The Offer is open for acceptance by the Unitholders for 28 days from the date of despatch of the Offer Document, being 25 October 2017, unless the Offer is withdrawn with the consent of the SIC and every person is released from any obligation incurred thereunder. **Accordingly, the Offer will close at 5.30 p.m. (Singapore time) on 22 November 2017, being the Closing Date. Notice has been given pursuant to Rule 22.6 of the Code that the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Closing Date.**

3.7 Further details of the Offer

Further details of the Offer, including details on (a) the duration of the Offer; (b) the settlement of the consideration for the Offer; (c) the requirements relating to the announcement(s) of the level of acceptances of the Offer; and (d) procedures for acceptance of the Offer, are set out in Appendices 1 and 2 to the Offer Document.

4. IRREVOCABLE UNDERTAKING

FIM had, on the Offer Announcement Date, provided the Irrevocable Undertaking to the Offeror pursuant to which FIM, *inter alia*, will procure that the Farallon Group will tender all the Units that the Farallon Group holds or controls as at the date of the Irrevocable Undertaking and any other Units which the Farallon Group may subsequently acquire after the date of the Irrevocable Undertaking; and that they will accept the Offer by not later than 5 p.m. (Singapore time) on the fifth business day after the date of despatch of the Offer Document.

As at the Offer Announcement Date, the Farallon Group holds the Farallon Units amounting to, in aggregate, 321,776,468 Units representing 42.67% of the total Units. Details of the Units which were held by the Farallon Group are set out in Section 7 of the Offer Document and summarised below:

	Number of Units owned	Number of Units as a percentage of the total number of Units (%)
FIM	300,967,950	39.91
Other members of the Farallon Group	20,808,518	2.76
Total	321,776,468	42.67

In respect of the acceptance of the 300,967,950 Units held by FIM, the aggregate Offer Price of approximately S\$270.87 million shall be paid in the following manner:

- (i) S\$106.77 million in cash within seven business days of such Units being tendered in accordance with the Offer Document ("**Farallon Tender Date**"); and
- (ii) Promissory Note in relation to the deferred offer price amounting to S\$164.11 million ("**Deferred Offer Price**"), which shall be payable (a) S\$96.53 million one year from the Farallon Tender Date; and (b) the remaining S\$67.57 million two years from the Farallon Tender Date.

There shall be no interest payable by the Offeror on the Promissory Note unless a payment default occurs under the Promissory Note in which case default interest at the rate of 7.5% per annum shall accrue on the outstanding amounts not paid by the Offeror.

In addition, the IBREL Group and FIM have entered into certain Credit Support Arrangements to secure the payment by the Offeror of the Deferred Offer Price to FIM. The Credit Support Arrangements include, *inter alia*:

- a charge in favour of FIM over 273,509,998 Units, representing 36.27% of the total Units, or such lower number of Units equivalent to 1.5 times the value of the Deferred Offer Price outstanding at any relevant time ("**Units Charge**"). The Units Charge is expressed to become effective upon the Farallon Tender Date; and
- corporate guarantees provided by certain entities ("**Guarantor Companies**") in favour of FIM. The corporate guarantee provided by IBREL shall come into effect upon the Farallon Tender Date, while the corporate guarantees in respect of the other Guarantor Companies shall become effective upon the delisting of IPIT from the SGX-ST.

Further details of the Promissory Note and the Credit Support Arrangements are set out in Appendix 6 to the Offer Document.

The Farallon Units represent 94.72% of the Offer Units. Accordingly, pursuant to Section 40A(1) of the BTA, upon the tendering of the Farallon Units in acceptance of the Offer, **the Offeror will be entitled, and intends, to exercise its right to compulsorily acquire all the remaining Offer Units not acquired under the Offer. The Offeror will then proceed to delist IPIT from the SGX-ST.**

The SIC had ruled that:

- (a) the Irrevocable Undertaking, the Promissory Note and the Credit Support Arrangements do not constitute special deals for the purposes of Rule 10 of the Code; and
- (b) the Offeror, IBREL and parties acting in concert with them (on the one hand) and the Farallon Group (on the other hand) would be regarded as parties acting in concert with respect to IPIT by virtue of the Irrevocable Undertaking, the Promissory Note and the Credit Support Arrangements.

5. SALIENT INFORMATION ON THE OFFEROR AND IBREL

Offeror

The Offeror is a company incorporated in Cyprus on 29 December 2008. Its principal activities are the provision of construction (including construction of infrastructure like roads and bridges) and construction planning services and advisory services related thereto. The Offeror is an indirect wholly-owned subsidiary of IBREL. The director of the Offeror is Hamervate Limited.

The Offeror has an issued and paid-up capital of 2,000 ordinary shares of par value €1 each.

As disclosed in Appendix 3 to the Offer Document, the Offeror reported its latest audited net profit after tax of approximately US\$7,150 (S\$9,703) for FY2017 and shareholders' funds of US\$95.6 million (S\$129.8 million) as at 31 March 2017.

Further details on the Offeror are set out in Appendix 3 to the Offer Document.

IBREL

IBREL is a company incorporated in India, the securities of which are listed on the following stock exchanges: (i) equity shares are listed on BSE Limited and National Stock Exchange of India Limited, and (ii) global depository receipts are listed on the Luxembourg Stock Exchange. The businesses that IBREL is engaged in either directly or through its subsidiaries include, *inter alia*, construction and development of properties, project management, advisory and construction services, real estate development, consultancy services on engineering, industrial and technical matters to various industries such as companies engaged in construction-development of real estate, etc.

The directors of IBREL are Mr Sameer Gehlaut, Mr Narendra Gehlaut, Mr Gurbans Singh, Mr Vishal Damani, Justice (Retd) Bisheshwar Prasad Singh, Justice (Retd) Gyan Sudha Misra, Mr Shamsher Singh Ahlawat and Brig. Labh Singh Sitara.

As disclosed in Appendix 4 to the Offer Document, the IBREL Group reported net profit attributable to owners of the holding company of INR3,968.9 million (S\$82.6 million) for FY2017 and INR1,730.9 million (S\$36.0 million) for the first quarter ended 30 June 2017. Total equity for owners of parent was INR48,320.6 million (S\$1,005.4 million) as at 30 June 2017.

IBREL is the sponsor of IPIT and is one of the largest listed property developer in India. As at the Latest Practicable Date, IBREL has a market capitalisation of approximately INR118 billion (S\$2.5 billion). (*Source: Bloomberg L.P.*)

Further details relating to IBREL are set out in Appendix 4 to the Offer Document.

On the Offer Announcement Date, the IBREL Group owned 414,306,203 Units, representing 54.95% of the total Units. Together with the Farallon Group, the Offeror and parties acting in concert with the Offeror (including the Farallon Group which is deemed to be acting in concert with the Offeror) held in aggregate 736,082,671 Units, representing 97.62% of the total Units. The remaining 2.38% interest in the Units are held by some 800 public Unitholders.

As IBREL is a public company listed on the Bombay Stock Exchange and the National Stock Exchange of India, Unitholders should also take note of any announcements which may be released or published after the Latest Practicable Date on the website of IBREL at www.indiabullsrealestate.com and at the respective websites of the stock exchanges at www.bseindia.com and www.nseindia.com.

Rationale for the Offer and the Offeror's intentions on IPIT

The full text of the Offeror's rationale for the Offer and intentions on IPIT are set out in Section 8 and Section 9 of the Offer Document.

The Offeror is making the Offer to delist and privatise IPIT.

As a result of the 2016 Offer and taking into account the number of Units held by the Farallon Group as at the close of the 2016 Offer, the number of Units held by the public is approximately 2.38% and is below the required minimum public float requirement of 10% set out in the Listing Manual. Accordingly, trading in the Units has been suspended by the SGX-ST since 23 June 2016 even though the Units continue to be listed on the SGX-ST.

In connection with the current Offer, the Offeror has obtained the Irrevocable Undertaking which will enable it to exercise its right of compulsory acquisition to acquire all the remaining Units not acquired under the Offer. The Offeror can then proceed to delist IPIT from the SGX-ST.

The Offeror has also stated that in the event, for whatever reason, the Offeror is unable to exercise the right to compulsorily acquire all the Offer Units not acquired under the Offer, the Suspension of Trading will continue, as the Offeror and parties acting in concert with it do not intend to place out any Units to members of the public to meet the minimum public float requirement. Under Rule 724 of the SGX-ST Listing Manual, the SGX-ST may delist IPIT if the proportion of Units held by members of the public is not raised to at least 10% within a certain period of time.

The Offeror intends for IPIT to continue its existing business activities and has no plans to:

- (a) introduce any major changes to the business of IPIT or the operations of any of its subsidiaries;
- (b) re-deploy any of the fixed assets of IPIT; or
- (c) discontinue the employment of any of the existing employees of IPIT or its subsidiaries, other than in the ordinary course of business.

Separately, IBREL is considering the possibility of restructuring its business by segregating its commercial and leasing business segment (which may or may not involve the assets of IPIT) from its residential business segment ("**Potential Restructuring**"). A committee comprising some of its directors and officers has been formed to study the Potential Restructuring.

As at the Latest Practicable Date, no decision on the structure or implementation of the Potential Restructuring has been made, and there is no certainty that the Potential Restructuring will be effected. However, the Offeror retains the flexibility at any time to consider any options or opportunities in relation to IPIT which may present themselves and which the Offeror may regard to be in the best interests of IPIT.

6. INFORMATION ON IPIT

IPIT is a registered business trust constituted under the trust deed dated 7 May 2008 (as amended by a first supplemental deed dated 29 May 2008) and registered pursuant to the BTA, with Indiabulls Property Management Trustee Pte. Ltd. as its Trustee-Manager. The Trust Deed

is governed by the laws of the Republic of Singapore. The Trustee-Manager is under a duty to take into custody and hold the assets of IPIT on trust for and on behalf of the Units Holders.

The ultimate holding company of the Trustee-Manager is IBREL and IBREL is the sponsor of IPIT.

IPIT was formally admitted to the official list of the SGX-ST on 11 June 2008.

The principal activities of IPIT are to achieve competitive long term returns by investing in, either directly or indirectly, primarily in income-producing properties globally, with at least the majority comprising income-producing commercial/hospitality space, acquiring and/or developing properties globally (with at least the majority of IPIT's assets comprising commercial/hospitality space) and either holding or selling all or a portion of developed properties upon completion and investing in real-estate related assets in connection with the foregoing.

The Directors of the Trustee-Manager are:

- Mr Gurbachan Singh – Chairman & Independent Director;
- Mr Sri Murali s/o Sinnothei Renganathan – Independent Director;
- Mr Mehul Charles Christopher Johnson – Non-executive Director;
- Ms Savita Singh – Independent Director; and
- Mr Kubeir Khara – Non-Executive Director.

Mr Mehul Charles Christopher Johnson serves as the President of IBREL and is responsible for a large part of its business. He is also a director of various subsidiaries of IBREL. Mr Kubeir Khara serves as the Executive Vice President of IBREL and is currently head of sales and marketing. He is also a director of various subsidiaries of IBREL.

As at the Latest Practicable Date, IPIT has a total of 754,028,697 Units in issue and there are no outstanding instruments convertible into or options in respect of Units which carry voting rights in IPIT. Based on the Offer Price of S\$0.90 and the total number of issued Units as at the Latest Practicable Date of 754,028,697 Units, the implied market capitalisation of IPIT is approximately S\$678.6 million.

Additional information on IPIT is set out in Appendix 5 to the Offer Document.

2016 Offer

In April 2016, Grapene Limited, an indirect wholly-owned subsidiary of IBREL, launched a general takeover offer for the Units at the offer price of S\$0.25 in cash for each Unit, which gives an implied market capitalisation of IPIT of S\$188.5 million. We were appointed as IFA to the Independent Directors and our opinion was set out in our letter attached as Appendix 1 of the circular to unitholders dated 25 May 2016 ("**2016 IFA Letter**").

As disclosed in Section 6.7 of the 2016 IFA Letter, the IBREL Group had then owned 51.54%, other substantial Unitholders owned 42.05% and the public Unitholders held 6.41% of the total Units. We have mentioned in our 2016 IFA Letter that in view of the intentions of the Offeror to delist from the SGX-ST and not to maintain or support any action to comply with the minimum public float, the suspension of trading of the Units on the SGX-ST was likely to happen at the close of the Offer. In addition, it was mentioned that unless the other substantial Unitholders accept the Offer, the Offeror is unlikely to garner sufficient Units to exercise the right of compulsory acquisition under the BTA. This will mean that Unitholders will be holding on to delisted Units or suspended Units, a potentially disadvantaged position as there is no public trading platform for Unitholders who wish to exit from their investment in the Units. In compliance with the Code, the IBREL Group cannot within the next 6 months after the close of the 2016 Offer, except with the consent of the SIC, make a second offer to, or acquire any Units from, any Unitholder on terms better than those made available under the 2016 Offer.

We have then advised on the 2016 Offer that the financial terms of the 2016 Offer was not fair from the perspective of the value of the Units but reasonable on other matters and these matters

relate to, *inter alia*, the loss of public float leading to trading suspension after the close of the 2016 Offer. Accordingly, we had advised the Independent Directors to recommend Unitholders to accept the 2016 Offer or sell their Units in the open market if they can obtain a price higher than the 2016 Offer Price (after deducting transaction costs).

Following the close of the 2016 Offer, the IBREL Group had increased its interest in IPIT to 54.95% after the close of the takeover offer, the direct and indirect unitholding interests of other substantial unitholders of IPIT was approximately 42.67% and the public float eventually dropped further to 2.38%, which is the position as at the Latest Practicable Date. Trading on the Units on the SGX-ST was suspended on 23 June 2016.

The current Offer

The current Offer Price of S\$0.90 in cash for each Offer Unit represents 3.6 times the then offer price of S\$0.25 in the 2016 Offer or a premium of 260% above the 2016 Offer Price of S\$0.25.

As opposed to the 2016 Offer, the Farallon Group has in connection with the current Offer undertaken to the Offeror to accept the Offer in respect of all their Units, representing 42.67% of the total Units. As these Units also represent 94.72% of the Offer Units, upon the acceptance of the Offer by the Farallon Group, the Offeror will be able to exercise its right of compulsory acquisition to acquire all the remaining Units not acquired under the Offer. The Offeror can then proceed to delist IPIT from the SGX-ST.

On 27 October 2017, DTCF announced, for and on behalf of the Offeror, that as at 5.00 p.m. (Singapore time) on the same day, the Offeror has received valid acceptances of the Offer amounting to 321,776,468 Units and 1,251,282 Units representing 42.67% and 0.17% of the total number of Units from parties acting in concert with the Offeror and Unitholders other than the parties acting in concert with the Offeror respectively. Following from the above, the total number of Units owned, controlled or agreed to be acquired by the Offeror and its corporations and their respective nominees (including valid acceptances of the Offer) amount to an aggregate of 737,333,953 Units, representing 97.79% of the total number of Units.

As the Offeror has received valid acceptances pursuant to the Offer in respect of not less than 90% of the Offer Units, the Offeror is entitled, and intends, to exercise its right of compulsory acquisition pursuant to Section 40A(1) of the BTA to compulsorily acquire, at the Offer Price of S\$0.90 for each Unit, all the Offer Units of the Non-Assenting Unitholders as at the Closing Date.

In connection therewith, DTCF had announced, on 2 November 2017, for and on behalf of the Offeror that the Offeror has given the relevant notice pursuant to Section 40A(1) of the BTA to the Non-Assenting Unitholders.

Regulatory and Development Update on IPIT

Since the 2016 Offer, IPIT had announced on 27 February 2017 that the Airport Authority of India had rejected the 327 metres permissible height applied for Indiabulls Sky Suites (“**Sky Suites**”) and had ruled that it can no longer exceed 163 meters as originally envisaged, and was expected to have a materially adverse effect on the total area that can be built on the site. Further update announcements were made by IPIT on 20 March 2017 and 11 April 2017 on the matter, and in the annual report of IPIT for FY2017 which was issued on 27 June 2017.

In light of the above and after due consideration of various factors, the Trustee-Manager is considering developing Sky Suites as an office space instead of a residential development. The proposed commercial development of Sky Suites will take approximately three years to complete. Since Sky Suites can no longer be built as earlier envisaged, IPIT is required to refund the deposits received from the relevant customers towards booking of the residential apartments in Sky Suites as per the terms of bookings agreed with such customers, along with interest.

In connection with the financial reporting of the IPIT Group for FY2017, the Trustee-Manager had engaged Knight Frank India Private Ltd, the Valuer, to provide an independent valuation of the investment properties and development properties of the IPIT Group as at 31 March 2017. Due to the height restriction imposed by the Airport Authority of India on Sky Suites, which resulted in a material loss of area in conjunction with lower price realisation, the IPIT Group had recognised an impairment loss of S\$577.9 million for its development properties for FY2017.

7. ASSESSMENT OF THE FINANCIAL TERMS OF THE OFFER

In evaluating and assessing the financial terms of the Offer, we have taken into account the pertinent factors set out below which we consider to have a significant bearing on our assessment:

- (a) Compulsory Acquisition by the Offeror;
- (b) Market quotation and trading activity of the Units;
- (c) Financial performance of the IPIT Group;
- (d) Net tangible assets ("**NTA**") of the IPIT Group;
- (e) Comparison against the 2016 Offer;
- (f) Comparison with completed privatisation of property related companies, real estate investment trusts ("**REITs**") and business trusts which are listed on the SGX-ST;
- (g) Distribution track record of IPIT; and
- (h) Other relevant considerations in relation to the Offer which may have a significant bearing on our assessment.

7.1 Compulsory Acquisition by the Offeror

The Offeror has stated that it intends to make the Offer with a view to delist and privatise IPIT. In connection with the Offer, FIM had given its Irrevocable Undertaking to the Offeror to accept the Offer in respect of all its Units, representing approximately 42.67% of the total Units and approximately 94.72% of the Offer Units. As announced on 27 October 2017, the Offeror has received valid acceptances pursuant to the Offer in respect of not less than 90% of the Offer Units. Accordingly, the Offeror is entitled, and intends to exercise its right of compulsory acquisition under Section 40A(1) of the BTA to compulsorily acquire, at the Offer Price of S\$0.90 for each Unit, all the Offer Units of the Non-Assenting Unitholders as at the Closing Date.

On 2 November 2017, the Offeror has given the relevant notice to the Non-Assenting Unitholders of its intention to exercise its right of compulsory acquisition to acquire all the Offer Units of the Non-Assenting Unitholders.

Therefore, regardless of our recommendation on the Offer and the decision of the minority Unitholders whether to accept or reject the Offer, the Offeror will be able to compulsorily acquire all their Units at the Offer Price.

7.2 Market quotation and trading activity of the Units

The Units have been suspended from trading on the SGX-ST for the last 16 months since 23 June 2016. The Offer Price thus cannot be reasonably assessed nor compared with the historical trading price performance of the Units prior to the Suspension of Trading.

The last transacted price prior to the trading suspension of the Units on 23 June 2016 was S\$0.255, presumably supported by the 2016 Offer Price of S\$0.25.

The current Offer Price of S\$0.90 represents 3.6 times the 2016 Offer Price of S\$0.25 or a premium of 260% above the 2016 Offer Price of S\$0.25.

7.3 Financial performance of the IPIT Group

We set out below a summary of the key financial results of the IPIT Group for the financial years ended 31 March 2016 ("**FY2016**"), FY2017 and the unaudited results of the first quarter ended 30 June 2016 ("**1Q2017**") and 30 June 2017 ("**1Q2018**").

As disclosed in the Annual Report of IPIT for FY2017, the consolidated financial statements of the IPIT Group are presented in S\$ as the financial statements are meant primarily for users in Singapore. The functional currency of the IPIT Group is Indian Rupees ("**INR**").

S\$'000	Audited		Unaudited	
	FY2016	FY2017	1Q2017	1Q2018
Total income	103,537	197,846	26,973	117,371
Total property expenses	(39,620)	(132,978)	(9,565)	(98,567)
Net property income	63,917	64,868	17,408	18,804
Finance costs	(58,756)	(64,843)	(16,320)	(16,333)
Trust expenses	(9,055)	(8,922)	(2,462)	(2,227)
Impairment loss on properties, net	—	(528,533)	—	—
(Loss)/ Profit before tax	(3,894)	(537,430)	(1,374)	244
Income tax credit	4,698	194,365	-	1,200
Profit / (loss) for the year/period attributable to Unitholders	804	(343,065)	(1,374)	1,444

Source: IPIT's annual report for FY2017 and the announcement of results for 1Q2018

Review of Operating Results

FY2017 vs FY2016

Total income for FY2017 increased by S\$94.3 million (or 91.1%) from S\$103.5 million in FY2016 to S\$197.8 million in FY2017. Total income of S\$197.8 million for FY2017 was contributed by rental income of S\$97.4 million, revenue from sales of development properties of S\$86.9 million and other income of S\$13.6 million. Revenue from sales of development properties contributed to the bulk of the increase in total income in FY2017 compared to FY2016, arising from revenue recognised from the sale of Indiabulls Sky residential apartments on completed project method.

Total property expenses for FY2017 increased by S\$93.4 million (or 235.6%) from S\$39.6 million in FY2016 to S\$133.0 million in FY2017, due mainly to (i) the corresponding recognition of cost of sales of S\$76.6 million in relation to the sale of Indiabulls Sky residential apartments; and (ii) interest of S\$14.0 million in relation to the refund of deposits received from the relevant customers of Sky Suites.

Finance costs had increased by S\$6.1 million (or 10.4%) from S\$58.8 million in FY2016 to S\$64.8 million in FY2017 due mainly to the increase in borrowings during the year.

For FY2017, the IPIT Group recognised a net impairment loss on properties of S\$528.5 million. This was due mainly to the impairment loss of S\$577.9 million on development properties due to overall height restriction imposed by the Airport Authority of India resulting in material loss of

area in conjunction with lower price realisation. The impairment loss was offset to some extent by the fair value adjustment (gain) of the investment properties of S\$49.4 million.

As a result, the IPIT Group reported a significant loss before tax of S\$537.4 million in FY2017. After taking into consideration income tax credit of S\$194.4 million (due mainly to the deferred tax benefit arising from net impairment loss on properties), the IPIT Group reported a loss for the year attributable to Unitholders of S\$343.1 million.

Even after excluding the net impairment loss on properties for FY2017, the IPIT Group would still report a loss before tax of S\$8.9 million for FY2017 compared to a loss before tax of S\$3.9 million for FY2016.

1Q2018 vs 1Q2017

Total income for 1Q2018 increased by S\$90.4 million (or 335.1%) from S\$27.0 million in 1Q2017 to S\$117.4 million in 1Q2018. Total income of S\$117.4 million for 1Q2018 was contributed by rental income of S\$28.4 million, revenue from sales of development properties of S\$85.0 million and other income of S\$4.0 million. Revenue from sales of development properties contributed to the bulk of the increase in total income in 1Q2018 compared to 1Q2017, arising from revenue recognised from the sale of Indiabulls Sky residential apartments on completed project method.

Total property expenses for 1Q2018 increased by S\$89.0 million (or 930.5%) from S\$9.6 million in 1Q2017 to S\$98.6 million in 1Q2018, due mainly to the corresponding recognition of cost of sales of S\$84.3 million in relation to the sale of Indiabulls Sky residential apartments.

Finance costs and trust expenses remained relatively stable between 1Q2018 and 1Q2017.

As a result of the higher net property income, the IPIT Group recorded a profit before tax of S\$0.2 million for 1Q2018 compared to a loss before tax of S\$1.4 million for 1Q2017.

For 1Q2018, the IPIT Group had an income tax credit in relation to the reversal of the deferred tax liability arising from the sale of Indiabulls Sky residential apartments. As a result, IPIT Group reported a profit for the period of S\$1.4 million for 1Q2018.

Translation differences

As mentioned above, the functional currency of the IPIT Group is INR and the presentation currency of the IPIT Group is S\$. In accordance with IPIT's accounting policies, the IPIT Group had also recorded significant translation differences arising from the conversion of the functional currency into the presentation currency in S\$ from year to year.

For FY2016, the appreciation of S\$ against INR by approximately 8.0% had resulted in a translation loss of S\$97.2 million. For FY2017, the depreciation of S\$ against INR by approximately 6% had resulted in a translation gain of S\$71.6 million. For 1Q2017 and 1Q2018, the appreciation of S\$ against INR by approximately 2% and 1% had resulted in a translation loss of S\$25.2 million and S\$11.8 million respectively.

These are reflected in the Statement of Comprehensive Income of the IPIT Group for the respective financial years/periods.

Historical price-earnings ratio ("PER") implied by the Offer Price

PER illustrates the valuation ratio of the current market value of a company's shares relative to its consolidated basic earnings per share as stated in its financial statements. The PER is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to depreciation and intangible assets. The historical PER is commonly used for the purpose of illustrating the profitability and hence the valuation of a company as a going concern.

As shown above, for FY2016, the IPIT Group reported a loss before tax of S\$3.9 million. After taking into consideration income tax credit of S\$4.7 million, the IPIT Group recorded a small profit of S\$0.8 million.

For FY2017, the IPIT Group reported a significant loss before tax of S\$537.4 million in FY2017. After taking into consideration income tax credit of S\$194.4 million, the IPIT Group reported a loss of S\$343.1 million. Even after excluding the net impairment loss on properties and income tax credit, the IPIT Group would still report a loss before tax of S\$8.9 million for FY2017.

For 1Q2018, IPIT recorded a small profit before tax of S\$0.2 million and a profit after tax of S\$1.4 million as a result of the income tax credit of S\$1.2 million.

In view of the above, that is, losses and significant impairment losses, we are of the opinion that the PER approach in evaluating the Offer is not meaningful.

The IPIT Group is asset heavy with significant real estate property assets. Hence, a net asset value approach ("**NAV**") may be more appropriate in valuing the IPIT Group.

7.4 NTA of the IPIT Group

The audited statement of financial position of the IPIT Group as at 31 March 2017 and the unaudited statement of financial position of the IPIT Group as at 30 June 2017 are set out below:

S\$'000	Audited As at 31 March 2017	Unaudited As at 30 June 2017
<u>Non-current assets</u>		
Plant and equipment	12,294	11,902
Investment properties	1,415,408	1,400,816
Total non-current assets	1,427,702	1,412,718
<u>Current assets</u>		
Cash and cash equivalents	5,932	9,970
Available for sale investments	6,786	18,217
Pledged fixed deposits	10,020	15,534
Prepayments	333,767	318,295
Trade and other receivables	19,664	65,115
Other current assets	43,486	45,764
Development properties (held-for-sale)	714,283	636,889
Total current assets	1,133,938	1,109,784
Total assets	2,561,640	2,522,502
<u>Current liabilities</u>		
Interest bearing loans and borrowings	66,785	149,997
Trade and other payables	107,006	72,015
Total current liabilities	173,791	222,012
<u>Non-current liabilities</u>		
Interest bearing loans and borrowings	799,113	771,187
Trade and other payables	70,250	70,345
Other non-financial liability	430,171	383,797
Deferred tax liabilities	128,585	125,793
Total non-current liabilities	1,428,119	1,351,122
Total liabilities	1,601,910	1,573,134
Unitholders' funds	959,730	949,368
NTA/NAV of the IPIT Group	S\$959,730,000	S\$949,368,000
Number of issued Units	754,028,697	754,028,697

S\$'000	Audited As at 31 March 2017	Unaudited As at 30 June 2017
NTA/NAV per Unit	S\$1.27	S\$1.26

Source: IPIT's annual report for 2016-2017 and the announcement of results for 1Q2018

Review of Financial Position

As at 31 March 2017

As at 31 March 2017, the NAV of the IPIT Group was approximately S\$959.7 million. As IPIT has no intangible assets, the NTA of the IPIT Group is equivalent to the NAV of the IPIT Group.

Reflective of the business activities of the IPIT Group, the total assets of the IPIT Group of S\$2.6 billion as at 31 March 2017 comprised mainly (i) investment properties amounting to S\$1.4 billion, representing 55.3% of total assets; and (ii) development properties held for sale of S\$714.3 million, representing 27.9% of total assets. As mentioned in Section 6 of this Letter, IPIT Group recorded an impairment loss on development properties of S\$577.9 million due to overall height restriction imposed by the Airport Authority of India resulting in material loss of area in conjunction with lower price realisation.

The total liabilities of the IPIT Group of S\$1.6 billion as at 31 March 2017 comprised mainly (i) loans and bank borrowings of S\$865.9 million, representing 54.1% of total liabilities, which are secured by the IPIT Group's properties and receivables on investment properties; and (ii) other non-financial liability of S\$430.2 million, representing 26.9% of total liabilities, which relates to advances made for the IPIT Group's residential projects by interested buyers.

Investment and Development Properties

The IPIT Group's properties are mainly held by and/or developed by its two wholly-owned subsidiaries, Indiabulls Properties Private Ltd ("**IPPL**") and Indiabulls Real Estate Company Private Ltd ("**IRECPL**").

<i>Held by IPPL</i>	
Commercial component:	One Indiabulls Centre
Residential component:	Indiabulls Sky Indiabulls Sky Forest
Location:	City Survey No. 841 and 882 Senapati Bapat Marg (Tulsi pipeline Road) Lower Parel, Mumbai, Maharashtra India
<i>Held by IRECPL</i>	
Commercial component:	Indiabulls Finance Centre Indiabulls commercial development at Indiabulls Finance Centre
Location:	City Survey No. 612/613 Senapati Bapat Marg (Tulsi pipeline Road) Lower Parel, Mumbai, Maharashtra India

The above properties comprise total commercial area of approximately 4.1 million sq. ft. and total residential area of 2.0 million sq. ft..

Valuation Summary Report

The Valuer, Knight Frank (India) Private Limited, had carried out an independent valuation of the properties held by IPPL and IRECPL as at 31 March 2017 for the purpose of the preparation

of the financial results of the IPIT Group for FY2017. The extract of the Valuation Summary Report dated 31 March 2017 is attached as Appendix 4 to the Circular.

In arriving at the valuation of the properties, the Valuer had used the Income Approach of valuation. Indiabulls Finance Centre, which is a completely leased out commercial development, has been valued by the Rent Capitalisation method, while the rest of the properties consists of ascertaining the present value of future benefits net of cost incurred or the Discounted Cash Flow method.

Based on the valuation methodologies and assumptions made by the Valuer, the Valuer is of the opinion that the net present value of IPIT Group's interest in the properties as at 31 March 2017 is as follows:

		Value of Property INR'million
IPPL	Commercial component	34,791
	Residential component	33,092
IRECPL	Commercial component	26,336
	Proposed commercial component	4,820
Total		99,040

The valuation of the above properties has been incorporated and / or considered in the book values of these properties in the audited financial statements of the IPIT Group for FY2017 based on the FX rate of S\$1.00: INR46.37 prevailing on 31 March 2017.

As at 30 June 2017

The profile of the statement of financial position of IPIT Group as at 30 June 2017 is broadly similar to the statement of financial position of the IPIT Group as at 31 March 2017. The following are the more significant variations:

Investment properties decreased by S\$14.6 million (or 1.0%) from S\$1.42 billion as at 31 March 2017 to S\$1.4 billion as at 30 June 2017 due mainly to FX translation losses arising from the appreciation of SGD against INR as at 30 June 2017 as compared to 31 March 2017.

Development properties decreased by S\$77.4 million (or 10.8%) from S\$714.3 million as at 31 March 2017 to S\$636.9 million as at 30 June 2017 due mainly to (i) FX translation losses arising from the appreciation of SGD against INR as at 30 June 2017 as compared to 31 March 2017; and (ii) costs of development property of S\$84.3 million recognized as cost of sales in the consolidated income statement for the quarter ended 30 June 2017 on account of revenue recognized on the sale of Indiabulls Sky residential apartments based on completed project method.

Trade and other receivables increased by S\$45.5 million (or 231.1%) from S\$19.7 million as at 31 March 2017 to S\$65.1 million as at 30 June 2017 due mainly to the revenue recognized on the sale of Indiabulls Sky residential apartments on completed project method.

On the same note, other non-financial liability decreased by S\$46.4 million (or 10.8%) from S\$430.2 million as at 31 March 2017 to S\$383.8 million as at 30 June 2017, which is due mainly to the deposits for the purchases of Indiabulls Sky residential apartments being adjusted against trade and other receivables, on account of revenue being recognised on the sale of the Indiabulls Sky residential apartments based on completed project method.

Trade and other payables (current) decreased by S\$35.0 million (or 32.7%) from S\$107.0 million as at 31 March 2017 to S\$72.0 million as at 30 June 2017, due mainly to refund along with interest on deposits received on booking of residential apartments in Sky Suites.

The total borrowings increased by S\$55.3 million from S\$865.9 million as at 31 March 2017 to S\$921.2 million as at 30 June 2017.

The Trustee-Manager had not commissioned another independent valuation of the properties of the IPIT Group for the purpose of the Offer in view of the recent valuation exercise carried out by the Valuer for the purpose of the audited financial statements for FY2017. Nonetheless, the Trustee-Manager had sought confirmation from the Valuer that there is no material change in the market related assumptions since 31 March 2017 to the Latest Practicable Date which will result in any material difference in the market valuations of the properties held by the IPIT Group as at 31 March 2017 ("**Valuer's Confirmation**").

Hence, based on the latest unaudited financial information of the IPIT Group as at 30 June 2017, the Group's NAV is S\$949.4 million and the significant property assets as recorded in the books of the IPIT Group reflect approximately the current market valuation of these properties. The IPIT Group's NAV per Unit is S\$1.26. The NAV of the IPIT Group is the same as its NTA as the IPIT Group does not have any intangible assets.

Price-to-NTA ("**P/NTA**") ratio implied by the Offer Price

The NAV or NTA based valuation provides an estimate of the value of a company assuming the hypothetical sale of all its assets over a reasonable period of time and would be more relevant for asset-based companies or where the subject company intends to realise or convert the uses of all or most of its assets. Such a valuation approach would be particularly appropriate when applied in circumstances where the business is to cease operations or where the profitability of the business being valued is not sufficient to sustain an earnings-based valuation. NTA is derived by deducting intangible assets from NAV.

Based on the IPIT Group's NTA per Unit of S\$1.26 as at 30 June 2017, the Offer Price values the IPIT Group on a P/NTA ratio of approximately **0.71 times**, that is, the Offer Price is at a discount of 28.6% to the NTA per Unit.

In our evaluation of the financial terms of the Offer, we have also considered whether there is any other asset which should be valued at an amount that is materially different from that which was recorded in the statement of financial position of the IPIT Group as at 30 June 2017, and whether there are any factors which have not been otherwise disclosed in the financial statements of the IPIT Group that are likely to impact the NTA of the IPIT Group as at 30 June 2017.

In respect of the above, we have sought the following confirmation from the Directors and the Management, and they have confirmed to us that as at the Latest Practicable Date, to the best of their knowledge and belief, save as disclosed above and in the 1Q2018 results announcement made by IPIT on 24 July 2017:

- (a) there are no material differences between the realisable value of IPIT's assets and their respective book values as at 30 June 2017 which would have a material impact on the NTA of the IPIT Group;
- (b) there are no other contingent liabilities, bad or doubtful debts or material events which are likely to have a material impact on the NTA of the IPIT Group as at the Latest Practicable Date;
- (c) there is no litigation, claim or proceeding pending or threatened against IPIT or any of its subsidiaries or of any fact likely to give rise to any proceedings which might materially and adversely affect the financial position of IPIT and its subsidiaries taken as a whole;
- (d) there are no other intangible assets which ought to be disclosed in the statement of financial position of the IPIT Group in accordance with the International Financial Reporting Standards and which have not been so disclosed and where such intangible assets would have had a material impact on the overall financial position of the IPIT Group; and

- (e) there are no material acquisitions or disposals of assets by the IPIT Group between 30 June 2017 and the Latest Practicable Date nor does the IPIT Group have any plans for any such impending material acquisition or disposal of assets, conversion of the use of its material assets or material change in the nature of the IPIT Group's business.

For the avoidance of doubt, we have not made any independent evaluation or appraisal of the assets and liabilities (including without limitation, real properties) of the IPIT Group but have been provided with the Valuation Summary Report from the Valuer and the Valuer's Confirmation. We are not experts in the evaluation or appraisal of the assets concerned and we have placed sole reliance on the Valuation Summary Report for such asset appraisal and have not made any independent verification of the contents thereof.

We do not assume any responsibility to inquire about the basis of such valuation or if the contents thereof have been prepared and/or included in the Circular in accordance with all applicable regulatory requirements including Rule 26 of the Code.

As IPIT announces its results on a quarterly basis, Unitholders should take note of the forthcoming results announcement for the IPIT Group's second quarter period ended 30 September 2017 which may be released or published after the Latest Practicable Date.

7.5 Comparison against the 2016 Offer

In the 2016 Offer, based on the 2016 Offer Price of S\$0.25, the P/RNTA ratio was approximately 0.18 times. We had then advised, *inter alia*, that the financial terms of the 2016 Offer was not fair from the perspective of the value of the Units.

In contrast with the current Offer, the Offer Price of S\$0.90 is (a) 3.6 times the 2016 Offer Price of S\$0.25 or a premium of 260% above the 2016 Offer Price; and (b) the P/NTA ratio is approximately 0.71 times.

Based on the above, we note that the current Offer is an attractive offer by the IBREL Group compared to the 2016 Offer even though the Offer Price is at a discount of 28.6% to the NTA per Unit as at 30 June 2017.

7.6 Comparison with completed privatisation of property related companies, REITs and business trusts which are listed on the SGX-ST

IPIT is listed on the SGX-ST and is constituted as a trust in Singapore. A more direct comparison of IPIT will be with the privatisation statistics of listed REITs, business trusts which are engaged in the property sector and listed companies which are engaged in investment properties and property development activities.

However, following the close of the 2016 Offer, the trading of the Units has been suspended for more than a year since 23 June 2016. As such, it is not possible nor meaningful to compare the Offer Price premium/discount against the historical market prices of the Units pre-Suspension of Trading, or with the offer price/market price statistics of the selected privatisation of property related companies, REITs and business trusts when they were still listed and traded on the SGX-ST prior to their privatisation. There are also no recent precedents of privatisation of unlisted property related companies or privatisation of listed but suspended property counters which could be used as a direct comparison with the privatisation of IPIT.

We have instead compared the Offer against the P/NTA statistics of the selected successfully completed privatisation precedents. In this regard, we have considered the following:

- (a) SGX-ST listed REITs and business trusts which are engaged in the property sector ("**Privatisation Transactions – REITs and business trusts**"). There are 3 such transactions; and

- (b) SGX-ST listed companies which are involved in investment property and property development activities (“**Privatisation Transactions – Property Counters**”). There are 4 such transactions.

The analysis of these privatisation transactions serves as a general indication of the relevant premium/discount that the offers had paid in order to acquire the target companies without having regard to their specific industry characteristics or other considerations and the comparison sets out the premium or discount represented by each of the respective offer prices to the NAV of the respective target companies. We note that certain privatisation transactions had undertaken revaluations and/or adjustments to their assets which may have a material impact on their latest publicly available book values. In this respect, we have compared the offer price with the RNAV, revalued NTA or adjusted NAV/NTA of these privatisation transactions, where applicable.

We wish to highlight that the target companies listed in the privatisation transactions as set out in the analysis below may not be directly comparable to IPIT in terms of market capitalisation, size of operations, composition of business activities, asset base, geographical spread, track record, operating and financial leverage, risk profile, liquidity, accounting policies, future prospects and other relevant criteria. Each transaction must be judged on its own commercial and financial merits. The premium or discount that an offeror pays in any particular privatisation transaction varies in different specific circumstances depending on, *inter alia*, factors such as the potential synergy the offeror can gain by acquiring the target, the prevailing market conditions and sentiments, attractiveness and profitability of the target’s business and assets, the possibility of a significant revaluation of the assets to be acquired, the availability of substantial cash reserves, the liquidity in the trading of the target company’s shares, the presence or absence of competing bids for the target company, and the existing and desired level of control in the target company. The list of the privatisation transactions is by no means exhaustive and as such any comparison made only serves as an illustration. Conclusions drawn from the comparisons made may not necessarily reflect the perceived or implied market valuation of IPIT.

7.6.1 Privatisation Transactions – REITs and business trusts

Name of trust	Sector	Date of announcement	P/NTA (times)
Perennial China Retail Trust	Real estate	14 Mar 14	0.94 ⁽¹⁾
Forterra Trust	Real estate	04 Nov 14	0.58 ⁽²⁾
Croesus Retail Trust	Retail business trust	26 Apr 17	1.15 ⁽³⁾
High			1.15
Low			0.58
Mean			0.89
Median			0.94
IPIT (implied by the Offer Price)		11 Oct 17 (Offer Announcement Date)	0.71 (P/NTA)

Source: SGX-ST announcements and circulars to unitholders in relation to the Privatisation Transactions – REITs and business trusts

Notes:

- (1) Based on the revalued NAV per unit in Perennial China Retail Trust as at 30 September 2014;
- (2) Based on the revalued NAV per unit in Forterra Trust as at 30 September 2014; and
- (3) Based on the NAV per unit in Croesus Retail Trust as at 30 June 2017.

Based on the above, we note that the P/NTA ratio of 0.71 times is within the range but lower than both the mean and median of the corresponding of the Privatisation Transactions – REITs and business trusts.

Unitholders should note that the above comparison with the Privatisation Transactions – REITs and business trusts is for illustrative purposes only.

7.6.2 Privatisation Transactions – Property Counters

Name of company	Sector	Date of announcement	P/NTA ⁽¹⁾ (times)
Keppel Land Limited	Property developer	23 Jan 15	0.66 ⁽¹⁾
Eastern Holdings Ltd	Property development and publishing	22 Sep 15	0.82 ⁽²⁾
Sim Lian Group Limited	Property development, investment and construction	08 Aug 16	0.78 ⁽³⁾
China New Town Development Company Limited	Urbanisation developer and operator for large township projects	18 Oct 16	0.90 ⁽⁴⁾
High			0.90
Low			0.66
Mean			0.79
Median			0.80
IPIT (implied by the Offer Price)		11 Oct 17 (Offer Announcement Date)	0.71 (P/NTA)

Source: SGX-ST announcements and circulars to shareholders in relation to the Privatisation Transactions – Property Counters

Notes:

- (1) Based on the average revalued NAV per share as adjusted for the net revaluation surplus on the properties of Keppel Land Limited as at 31 December 2014 and at the base offer price of S\$4.38;
- (2) Based on the revalued NTA per share as adjusted for the net revaluation surplus on certain properties of Eastern Holdings Ltd and the net revaluation surplus arising from the net gain of financial assets as at 30 September 2015;
- (3) Based on the revalued NAV per share of Sim Lian Group Limited as at 30 June 2016; and
- (4) Based on the NAV per share of China New Town Development Company Limited as at 30 September 2016.

Based on the above, we note that the P/NTA ratio of 0.71 times is within the range and slightly below the mean and median of the corresponding P/NTA ratios of the Privatisation Transactions – Property Counters.

Unitholders should note that the above comparison with the Privatisation Transactions – Property Counters is for illustrative purposes only.

7.7 Distribution track record of IPIT

As stated in the IPIT Annual Report for FY2017, IPIT distributes at least 90.0% of its distributable income, with the actual level of distribution to be determined at the Trustee-Manager's discretion. Distribution, when paid, will be in S\$. Distributions are made on a semi-annual basis for the six-month period ending 31 March and 30 September of each year.

We set out below the information on the distribution per Unit declared by IPIT in respect of the last three financial years:

Distributions declared	FY2015	FY2016	FY2017
Total distribution per Unit for the year (S\$)	0.001395 ⁽¹⁾	0.000638	— ⁽²⁾
Average Unit Price ⁽³⁾ (S\$)	0.5710	0.3280	Not applicable as trading of the Units have been suspended since 23 June 2016
Yield ⁽⁴⁾ (%)	0.24	0.19	n.m. ⁽⁵⁾

Source: Bloomberg L.P. and IPIT's annual reports and announcements on SGXNET

Notes:

- (1) IPIT had carried out a unit consolidation exercise on the basis of five units to be consolidated into one unit which became effective on 25 August 2015;
- (2) No distribution has been declared for FY2017;
- (3) Average daily closing price of the Units for each respective financial year (adjusted for the unit consolidation exercise);
- (4) Computed based on distribution per Unit divided by the average Unit price; and
- (5) N.m. denotes not meaningful.

Based on the above, we note that IPIT had made distributions for FY2015 and FY2016 but the distributions per Unit has decreased over the years. No distribution was made for FY2017 as IPIT had incurred a loss and therefore, no distributable income was available for FY2017.

As at the Latest Practicable Date, IPIT has not released its six-month results announcement nor announced any distribution for the six-month period ended 30 September 2017. Unitholders should, however, note that pursuant to the terms of the Offer as disclosed in Section 3.3 of this Letter, the Offeror will pay the Accepting Unitholder the Adjusted Offer Price in the event that any distribution is declared, paid or made by IPIT during the Offer and the settlement date of the Offer Units accepted by the Unitholder falls after the books closure date for the determination of entitlements to such distribution. Please see further details in Section 2.5 of the Offer Document under the caption "**Adjustment for Distributions**".

We wish to highlight that the above distribution analysis of IPIT serves only as an illustrative guide and is not an indication of IPIT's future dividend policy. There is no assurance that IPIT will continue to pay distributions in future and/or maintain the level of distributions paid in the past periods.

7.8 Other relevant considerations in relation to the Offer which may have a significant bearing on our assessment

7.8.1 No increase in Offer Price and the Closing Date

Unitholders should note that the Offer Price is final and the Offeror will not be increasing the Offer Price.

The Offeror has also given the shut-off notice for the Offer to close at **5.30 p.m. (Singapore time) on 22 November 2017**.

Unitholders should note that acceptances of the Offer received after 5.30 p.m. on 22 November 2017 will be rejected.

7.8.2 Irrevocable Undertaking by the Farallon Group

During the 2016 Offer, we understand that the Farallon Group which then held in aggregate 42.05% of the total Units, did not accept the 2016 Offer. We understand from the Directors that the Farallon Group is unrelated to the IBREL Group.

With respect to the current Offer, the Farallon Group which holds in aggregate 42.67% of the total Units will, pursuant to the Irrevocable Undertaking, accept the Offer in respect of all its Units.

On 27 October 2017, the Farallon Group has accepted the Offer.

The SIC had ruled that the Farallon Group is deemed to be acting in concert with the Offeror in respect of the current Offer by virtue of the Irrevocable Undertaking, promissory notes and credit support arrangements.

7.8.3 Likelihood of competing offers is remote

The Directors have confirmed that, as at the Latest Practicable Date, apart from the Offer being made by the Offeror, no alternative offer or proposal from any third party has been received. We also note that there is no publicly available evidence of any alternative offer for the Offer Units from any third party.

As the Offeror has received valid acceptances pursuant to the Offeror in respect of not less than 90% of the Offer Units, the Offeror had on, 2 November 2017, given the relevant notice to the Non-Assenting Unitholders of its intention to exercise its right of compulsory acquisition to acquire all the remaining Offer Units which have not been tendered for acceptance by the close of the Offer.

In view of the above, the likelihood of a competing offer from any third party is therefore remote.

7.8.4 No public market for the trading of the Units

There is no available public market for the trading of the Units as trading of the Units has been suspended since 23 June 2016 since the Units which are held in the hands of the public have fallen below the minimum public float requirement of 10.0%. As at the Latest Practicable Date, the public float was approximately 2.38%.

Given that the intention of the Offeror is to delist and privatise IPIT from the SGX-ST, the Offeror has also stated clearly that it does not intend to take or support any action to meet the public float requirement.

As the trading of the Units has been suspended, Unitholders should note that pursuant to Rule 729 of the Listing Manual, there must not be any transfers of the Units unless approved by the SGX-ST. This being so, the Offer is presently the only available option to Unitholders who wish to exit their investments in IPIT.

Unitholders should also note that pursuant to Rule 724 of the Listing Manual, the SGX-ST may delist IPIT if the public float requirement is not met within a certain period of time.

7.8.5 Compulsory acquisition

As the Offeror has received valid acceptances pursuant to the Offeror in respect of not less than 90% of the Offer Units, the Offeror is entitled, and intends, to exercise its right under Section 40A(1) of the BTA to compulsorily acquire, at the Offer Price of S\$0.90 for each Unit, all the Offer Units from the Non-Assenting Unitholders. The Offeror will then proceed to delist IPIT from the SGX-ST.

It should be noted that Non-Assenting Unitholders have the right under and subject to Section 40A(4) of the BTA to require the Offeror to acquire their Units at the Offer Price in the event that the Offeror or its nominees acquire, pursuant to the Offer, such number of Offer Units, which together with the Units held by the Offeror, its related corporations and/or their respective nominees, comprise 90.0% or more of the total number of Units.

On 2 November 2017, DTCF had announced, for and on behalf of the Offeror, that the Offeror has given the relevant notice pursuant to Section 40A(1) of the BTA to the Non-Assenting Unitholders.

As the Offeror will be proceeding to compulsorily acquire the remaining Offer Units in accordance with Section 40A(1) of the BTA, the Non-Assenting Unitholders need not take any action in relation to their right under Section 40A(4) of the BTA. Non-Assenting Unitholders who wish to exercise such rights are advised to seek their own independent legal advice.

7.8.6 Commentary by IPIT in the unaudited 1Q2018 results announcement

We wish to highlight the following commentary on the business environment faced by the IPIT Group as disclosed in its announcement of the financial results for 1Q2018:

"On 8 November 2016, the Indian Prime Minister announced that all 500 and 1,000 Rs notes, which accounted for 86% of the currency in circulation, would cease to become legal tender from 9 November 2016 onwards ("demonetisation"). The demonetisation is unprecedented in the history of India and has produced an adverse effect on the Indian economy in general and the property sector in particular. Market sentiment has deteriorated significantly and the Trustee-Manager does not anticipate any near term pick up. The office and the residential property sectors in India had already been sluggish prior to the demonetisation, with less demand and greater supply. These developments are likely to have an adverse effect in the short to medium term in the Indian property sector, including IPIT properties.

As per the reports below, the real estate market in Mumbai remains challenging. The residential market is witnessing significant build up of unsold under-construction and completed inventory. The office market overall has witnessed slow down in transactions but there remains supply constraint of Grade A office space in preferred locations of the Mumbai city. Our experience in the IPIT properties has been consistent with the above."

Further details on the above commentary can be found in IPIT's results announcement for 1Q2018.

8. OUR RECOMMENDATIONS TO THE INDEPENDENT DIRECTORS ON THE OFFER

In arriving at our recommendation in respect of the Offer, we have taken into account, reviewed and deliberated on the following key considerations which we consider to be pertinent in our assessment of the Offer:

- (a) Compulsory Acquisition by the Offeror;
- (b) Market quotation and trading activity of the Units;
- (c) Financial performance of the IPIT Group;
- (d) NTA of the IPIT Group;
- (e) Comparison against the 2016 Offer;
- (f) Comparison with completed privatisation of property related companies, REITs and business trusts which are listed on the SGX-ST;
- (g) Distribution track record of IPIT; and
- (h) Other relevant considerations in relation to the Offer which may have a significant bearing on our assessment.

Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the view that the financial terms of the Offer are fair and reasonable. Accordingly, we advise the Directors to recommend Unitholders to ACCEPT the Offer.

Unitholders should note that the Offeror has on 2 November 2017 given the relevant notice to the Non-Assenting Unitholders in relation to the compulsory acquisition pursuant to Section 40A(1) of the Business Trusts Act, Chapter 31A of Singapore. Hence, regardless of the decision of the minority Unitholders whether to accept or reject the Offer, the Offeror will be able to compulsorily acquire all their Units not acquired under the Offer at the Offer Price.

In rendering the above advice, we have not given regard to any specific investment objectives, financial situation, tax position, risk profiles or particular needs and constraints of any individual Unitholder. As each individual Unitholder would have different investment objectives and profiles, we would advise that any individual Unitholder who may require specific advice in relation to his investment objectives or portfolio should consult his legal, financial, tax or other professional adviser immediately. The Independent Directors should advise Unitholders that the opinion and advice of Provenance Capital should not be relied upon by any Unitholder as the sole basis for deciding whether or not to accept the Offer, as the case may be.

Our recommendation is addressed to the Independent Directors for their benefit, in connection with and for the purposes of their consideration of the Offer, as the case may be, and may not be used or relied on for any other purposes (other than for the purpose of the Offer) without the prior written consent of Provenance Capital. The recommendation to be made by the Independent Directors to Unitholders in respect of the Offer, as the case may be, shall remain the responsibility of the Independent Directors.

This Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
PROVENANCE CAPITAL PTE. LTD.

Wong Bee Eng
Chief Executive Officer

APPENDIX 2

ADDITIONAL GENERAL INFORMATION

1. DIRECTORS

The names, addresses and description of the Directors as at the Latest Practicable Date are set out below:

Name	Address	Description
Mr. Gurbachan Singh	14 Toh Avenue Toh Estate Singapore 508040	Chairman & Independent Director
Mr. Sri Murali s/o Sinnothei Renganathan	39 Coronation Road Singapore 269450	Independent Director
Mr. Mehul Charles Christopher Johnson	2802, 28th Floor, Tower 1, Imperial Tower, M P Mills Compound, Tardeo, Mumbai, 400034	Non-Executive Director
Ms. Savita Singh	15-A, Neelima, Police Officers' Quarters, B G Kher Marg Nxt To Malabar Hill Police Station, Malabar Hill, Mumbai 400006	Independent Director
Mr. Kubeir Khera	1202/7, Nri Complex, Seawood Estate Nerul, Navi Mumbai, Thane-400706	Non-Executive Director

2. REGISTERED OFFICE

The registered office of the Trustee-Manager is at 38 Beach Road, #29-11 South Beach Tower, Singapore 189767.

3. PRINCIPAL ACTIVITIES

IPIT is a Singapore-based business trust registered with the Monetary Authority of Singapore ("MAS") and listed on the Main Board of the SGX-ST. IPIT's principal activities are in investing, either directly or indirectly, primarily in income-producing properties globally, with at least the majority comprising income-producing commercial/hospitality space; acquiring and/or developing properties globally (with at least the majority of IPIT's assets comprising commercial/hospitality space) and either holding or selling all or a portion of developed properties upon completion and investing in real estate-related assets in connection with the foregoing.

4. UNITS

4.1 Units of IPIT

As at the Latest Practicable Date:

- (a) IPIT only has one class of Units comprising 754,028,697 Units in respect of an aggregate Units in issue amount of approximately S\$3,102,916,000 (rounded up to the nearest thousand);

- (b) IPIT has not issued any Units since 31 March 2017, being the end of the last financial year of IPIT; and
- (c) IPIT has no outstanding instruments convertible into, rights to subscribe for, or options in respect of, the Units.

4.2 Rights of Unitholders in relation to Voting, Distribution and the Units

The rights of Unitholders in respect of voting, distribution and the Units are contained in the Trust Deed, which is available for inspection at the Trustee-Manager's registered office at 38 Beach Road, #29-11 South Beach Tower, Singapore 189767. The relevant provisions in the Trust Deed relating to the rights of Unitholders in respect of voting, distribution and the Units have been extracted and reproduced in Appendix 3 to this Circular. Capitalised terms and expressions not defined in the extracts have the meanings ascribed to them in the Trust Deed and/or the Business Trusts Act.

5. DISCLOSURE OF INTERESTS AND DEALINGS

5.1 Interests and dealings of IPIT in the Offeror Securities

- (a) As at the Latest Practicable Date, IPIT does not have any direct or deemed interest in any Offeror Securities.
- (b) IPIT has not dealt for value in any Offeror Securities during the Relevant Period.

5.2 Interests and dealings of the Directors in the Offeror Securities

- (a) As at the Latest Practicable Date, none of the Directors have any direct or deemed interests in the Offeror Securities.
- (b) None of the Directors has dealt for value in the Offeror Securities during the Relevant Period.

5.3 Interests and dealings of the Directors in the IPIT Securities

- (a) As at the Latest Practicable Date, none of the Directors has any direct or deemed interests in the IPIT Securities.
- (b) None of the Directors has dealt for value in the IPIT Securities during the Relevant Period.

5.4 Interests and dealings of the IFA

- (a) None of the IFA, its related corporations or any of the funds whose investments are managed by the IFA on a discretionary basis owns or controls any IPIT Securities or Offeror Securities as at the Latest Practicable Date.
- (b) None of the IFA, its related corporations or any of the funds whose investments are managed by the IFA on a discretionary basis has dealt for value in any IPIT Securities or Offeror Securities during the Relevant Period.

6. OTHER DISCLOSURES

6.1 Directors' service contracts

As at the Latest Practicable Date:

- (a) there are no service contracts between any of the Directors or proposed directors with IPIT or the Trustee-Manager or any of their subsidiaries with more than 12 months to run, which the employing company cannot, within the next 12 months, terminate without payment of compensation; and
- (b) there are no such contracts entered into or amended during the Relevant Period.

6.2 Arrangements affecting Directors

As at the Latest Practicable Date:

- (a) it is not proposed that any payment or other benefit shall be made or given to any Director or director of any other corporation which is by virtue of Section 2 of the Business Trusts Act deemed to be related to IPIT or the Trustee-Manager, as compensation for loss of office or otherwise in connection with the Offer;
- (b) there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Offer; and
- (c) none of the Directors has a material personal interest, whether direct or indirect, in any material contract entered into by the Offeror.

7. MATERIAL CONTRACTS WITH INTERESTED PERSONS

Save for information on IPIT that is publicly available and other than those entered into in the ordinary course of business, as at the Latest Practicable Date, the Trustee-Manager on behalf of IPIT or any of IPIT's subsidiaries has not entered into material contracts with persons who are interested persons (as defined in the Note on Rule 23.12 of the Code) during the period beginning three (3) years before the Offer Announcement Date.

8. MATERIAL LITIGATION

As at the Latest Practicable Date, the Directors are not aware of any material litigation, claims or proceedings pending or threatened against, or made by, IPIT or any of its subsidiaries or any facts likely to give rise to any such material litigation, claims or proceedings, which might materially and adversely affect the financial position of IPIT or the Group, taken as a whole.

9. SUMMARY OF FINANCIAL INFORMATION

9.1 Consolidated Statements of Comprehensive Income

A summary of the audited consolidated statements of comprehensive income of the Group for FY2015, FY2016 and FY2017, and the unaudited consolidated statement of comprehensive income of the Group for 1QFY2018 is set out below:

Particulars	Audited FY2015 S\$'000	Audited FY2016 S\$'000	Audited FY2017 S\$'000	Unaudited 1QFY2018 S\$'000
Property income – base rent	90,011	90,538	97,444	28,400
Revenue from sales of development properties	–	–	86,852	85,013
Other income	12,738	12,999	13,550	3,958
Total income	102,749	103,537	197,846	117,371
Property expenses				
Cost of sales – development properties	–	–	(76,584)	(84,283)
Advertisement	(4,296)	(2,683)	(3,529)	(4,708)
Operating maintenance and security	(13,734)	(13,801)	(13,605)	(3,639)
Legal and professional fees	(3,529)	(3,584)	(4,308)	(1,177)
Other direct costs	(13,753)	(19,552)	(34,952)	(4,760)
Total property expenses	(35,312)	(39,620)	(132,978)	(98,567)
Net property income	67,437	63,917	64,868	18,804
Finance costs	(59,833)	(58,756)	(64,843)	(16,333)

Particulars	Audited FY2015 S\$'000	Audited FY2016 S\$'000	Audited FY2017 S\$'000	Unaudited 1QFY2018 S\$'000
Trust expenses				
Trustee fee	(465)	(466)	(441)	(107)
Management fee – base	(5,818)	(5,825)	(5,433)	(1,333)
Management fee – performance	(2,699)	(2,556)	(2,594)	(750)
Other trust operating expenses	(270)	(298)	(453)	(37)
Unrealised exchange (loss)/gain, net	26	90	(1)	–
Impairment loss on properties, net	–	–	(528,533)	–
Loss before tax	(1,622)	(3,894)	(537,430)	244
Income tax credit/(expense)	(1,387)	4,698	194,365	1,200
(Loss)/profit for the year	(3,009)	804	(343,065)	1,444
Basic and diluted earnings per unit (cents)	(0.401)	0.107	(45.498)	0.192
Distribution Per Unit (Cents)	0.1395 ⁽¹⁾	0.0638	–	–
Other comprehensive income:				
Items that will not be reclassified to profit or loss in subsequent periods				
Translation difference arising from translation of functional currency into presentation currency	56,977	(97,228)	71,588	(11,806)
Total comprehensive income for the year attributable to Unitholders of the Trust	53,968	(96,424)	(271,477)	(10,362)

The above summary of the key financial results of the Group for FY2015, FY2016 and FY2017 and for 1QFY2018 should be read together with the annual reports and the consolidated audited financial statements of the Group for the relevant financial years and the 1QFY2018 Results, respectively, and related notes thereto, copies of which are available for inspection at the registered office of the Trustee-Manager at 38 Beach Road, #29-11, South Beach Tower, Singapore 189767 during normal business hours for the period during which the Offer remains open for acceptance.

Note:

- (1) IPIT had carried out a Unit consolidation exercise on the basis of five Units being consolidated into one Unit which became effective on 25 August 2015.

9.2 Statement of Financial Position

A summary of the audited statement of financial position of the Group as at 31 March 2017 and the unaudited statement of financial position of the Group as at 30 June 2017 is set out below.

Statement of Financial Position	Audited As at 31 March 2017 S\$'000	Unaudited As at 30 June 2017 S\$'000
ASSETS		
Non-current assets		
Plant and equipment	12,294	11,902
Investment properties	1,415,408	1,400,816
Total non-current assets	1,427,702	1,412,718
Current assets		
Cash and cash equivalents	5,932	9,970
Available for sale investments	6,786	18,217
Pledged fixed deposits	10,020	15,534
Prepayments	333,767	318,295
Trade and other receivables	19,664	65,115
Other current assets	43,486	45,764
Development properties	714,283	636,889
Total current assets	1,133,938	1,109,784
Total assets	2,561,640	2,522,502
LIABILITIES		
Current liabilities		
Interest bearing loans and borrowings	66,785	149,997
Trade and other payables	107,006	72,015
Total current liabilities	173,791	222,012
Non-current liabilities		
Interest bearing loans and borrowings	799,113	771,187
Trade and other payables	70,250	70,345
Other non-financial liability	430,171	383,797
Deferred tax liabilities	128,585	125,793
Total non-current liabilities	1,428,119	1,351,122
Total liabilities	1,601,910	1,573,134
NET ASSETS	959,730	949,368
UNITHOLDERS' FUNDS		
Units in issue	3,102,916	3,102,916
Foreign currency translation reserve	(731,696)	(743,502)
Accumulated losses	(1,411,490)	(1,410,046)
Total Unitholders' funds	959,730	949,368

The above summary of the audited statement of financial position of the Group as at 31 March 2017 and the unaudited statement of financial position of the Group as at 30 June 2017 should be read together with the annual report for FY2017 and the audited financial statements of the Group for FY2017 and the 1QFY2018 Results respectively, and related notes thereto, copies of which are available for inspection at the registered office of the Trustee-Manager at 38 Beach Road, #29-11, South Beach Tower, Singapore 189767 during normal business hours for the period during which the Offer remains open for acceptance.

9.3 Significant Accounting Policies

The significant accounting policies of the Group are set out in the notes to the audited financial statements of the Group for FY2017, copies of which are available for inspection at the registered office of the Trustee-Manager at 38 Beach Road, #29-11, South Beach Tower, Singapore 189767 during normal business hours for the period during which the Offer remains open for acceptance.

9.4 Changes in Accounting Policies

Save as disclosed in the notes to the audited consolidated financial statements of the Group for FY2017 and in the 1QFY2018 Results:

- (a) there were no significant accounting policies or any matter from the notes of the audited consolidated financial statements of IPIT for FY2017 which are of any major relevance for the interpretation of the financial statements of IPIT; and
- (b) as at the Latest Practicable Date, there are no changes in the accounting policies of the Group which will cause the figures disclosed in this Circular not to be comparable to a material extent with the audited consolidated financial statements of IPIT for FY2017.

10. **MATERIAL CHANGES IN FINANCIAL POSITION**

Save as disclosed in this Circular and in publicly available information on IPIT (including but not limited to announcements released by IPIT in respect of its financial results), as at the Latest Practicable Date, there are no known material changes in the financial position of IPIT since 31 March 2017, being the date to which IPIT's last published audited financial statements were made up.

11. **VALUATION ON PROPERTIES**

The Trustee-Manager had commissioned Knight Frank (India) Private Limited, an independent valuer, to conduct an independent market valuation of the Properties for the purpose of the preparation of the financial results of the Group for FY2017. An extract of the summary valuation report is set out in Appendix 4 of this Circular.

Notwithstanding that the summary valuation report was prepared for financial reporting purposes for FY2017 and not for the purpose of the Offer, the Trustee-Manager had sought and obtained confirmation from the Valuer that there is no material change in the market related assumptions since 31 March 2017 to the Latest Practicable Date which will result in any material differences in the market valuations of the properties held by the IPIT Group as at 31 March 2017.

Under Rule 26.3 of the Code, IPIT is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the assets, which are the subject of a valuation given in connection with an offer, were to be sold at the amount of the valuation. Based on the summary valuation reports, it is expected that the potential tax liability that may be incurred by IPIT on the hypothetical sale of the Properties is approximately S\$126 million. IPIT has no immediate plans to dispose of its interests in the Properties and as such, the aforesaid tax liabilities in respect of the Properties are not likely to crystallise.

12. CONSENTS

Provenance Capital Pte. Ltd., named as the IFA, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the IFA Letter in Appendix 1 to this Circular, and all references thereto, in the form and context in which they appear in this Circular.

Knight Frank (India) Private Limited, named as the Valuer, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the extract of the valuation summary report set out in Appendix 4 to this Circular and its confirmation referred to in Section 11 of this Circular, and all references thereto, in the form and context in which they appear in this Circular.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the Trustee-Manager's registered office at 38 Beach Road, #29-11 South Beach Tower, Singapore 189767 during normal business hours from the date of this Circular up to and including the Closing Date:

- (a) the Trust Deed of IPIT;
- (b) the annual reports of IPIT for FY2015, FY2016 and FY2017;
- (c) the 1QFY2018 Results;
- (d) the summary valuation report in respect of the Properties as set out in Appendix 4 to this Circular;
- (e) the IFA Letter as set out in Appendix 1 to this Circular; and
- (f) the letters of consent referred to in section 12 of this Appendix 2.

APPENDIX 3

EXTRACTS OF RELEVANT PROVISIONS IN THE TRUST DEED

1. RIGHTS OF UNITHOLDERS IN RESPECT OF THE UNITS, DISTRIBUTIONS AND VOTING

The rights of Unitholders in respect of the Units, distributions and voting as extracted from the Trust Deed are set out in paragraphs 1.1, 1.2 and 1.3 below.

1.1 Rights in respect of the Units

The relevant provisions in clauses 3, 4, 5 and 6 of the Trust Deed, which set out the Unitholders' rights in respect of the Units, are set out below in italics:

3. *Provisions as to Units, Holders and Statements of Holdings*

3.1 *Certificates*

3.1.1 *No certificate shall be issued to Holders by the Trustee-Manager in respect of Units (whether Listed or Unlisted) issued to Holders. For so long as the Trust is Listed, the Trustee-Manager shall, pursuant to the Depository Services Agreement, appoint the Depository as the Unit depository for the Trust, and all Units issued will be deposited with the Depository and represented by entries in the Register in the name of the Depository as the registered Holder thereof.*

3.1.2 *For so long as the Trust is Listed, the Trustee-Manager or the Registrar shall issue to the Depository, not more than 10 Business Days after the issue of Units, a confirmation note confirming the date of issue and the number of Units so issued and, if applicable, stating that the Units are issued under a moratorium and the expiry date of such moratorium. For the purposes of this Deed, such a confirmation note shall be deemed to be a certificate evidencing title to the Units issued.*

3.2 *Form of Statement of Holdings*

3.2.1 *In the event the Trust is Listed on a Recognised Stock Exchange other than the SGX-ST or becomes Unlisted, the Trustee-Manager or the Registrar shall issue to each Holder not more than one month after the allotment of Units to such Holder a confirmation note confirming such allotment. The Trustee-Manager or the Registrar shall, for so long as the Trust is Listed on a Recognised Stock Exchange other than the SGX-ST or is Unlisted, issue to each Holder of Units on a quarterly basis (or such other period as may be determined by the Trustee-Manager) a statement of holdings (the "**Statement of Holdings**"). A Statement of Holdings shall be dated and shall specify the number of Units held by each Holder in respect of the preceding quarter (or such relevant period) and the transactions in respect of such Units and shall be in such form as may from time to time be determined by the Trustee-Manager.*

3.2.2 *For so long as the Trust is listed on the SGX-ST and the Units are registered in the name of the Depository, the Depository shall, within the relevant periods, issue to each Depositor the relevant contract statements, confirmation notes and monthly statements in respect of transactions in or, as the case may be, holdings of Units in such Depositor's Securities Account.*

3.3 *Sub-division and Consolidation of Units*

The Trustee-Manager may, at any time and on giving prior written notice (such notice period shall be determined by the Trustee-Manager in its absolute discretion) to each Holder or (as the case may be) to each Depositor by the Trustee-Manager delivering such notice in writing

to the Depository for onward delivery to the Depositors, determine that each Unit shall be sub-divided into two or more Units or consolidated with one or more other Units and the Holders shall be bound accordingly.

The Register shall be altered accordingly to reflect the new number of Units held by each Holder as a result of such sub-division or consolidation and, where applicable, the Trustee-Manager shall cause the Depository to alter the Depository Register accordingly in respect of each relevant Depositor's Securities Account to reflect the new number of Units held by such Depositor as a result of such sub-division or consolidation.

3.4 Terms and Conditions of Trust Deed and Supplemental Deeds to Bind Holders

The terms and conditions of this Deed shall be binding on each Holder and all persons claiming through him as if he had been party thereto and as if this Deed contained covenants on the part of each Holder to observe and be bound by all the provisions hereof and an authorization by each Holder to do all such acts and things as this Deed may require the Trustee-Manager to do.

3.5 Rights attached to Units

The rights attached to the Units issued upon special conditions shall be clearly defined in this Deed. Without prejudice to any special right previously conferred on the Holders of any existing Units (including the Vendor Special Units) or Class of Units but subject to the Relevant Laws, Regulations and Guidelines and this Deed, any Units may be issued by the Trustee-Manager and any such Units may be issued with such preferred, deferred, subordinated or other special rights or such restrictions, whether in regard to Distributions, voting or otherwise as the Trustee-Manager may determine.

3.6 Variation of Rights

3.6.1 If at any time different Classes of Units are issued, the rights attached to any Class (unless otherwise provided by the terms of issue of the Units of that Class) may, subject to the provisions of the Relevant Laws, Regulations and Guidelines, whether or not the Trust is being wound up, be varied or abrogated with the sanction of an Extraordinary Resolution of the Holders in respect of Units of that Class, and to every such Extraordinary Resolution the provisions of this Deed relating to meetings of Holders shall apply *mutatis mutandis* PROVIDED THAT the necessary quorum shall be two persons at least holding or representing by proxy or by attorney one-third of the issued Units of the Class and that any Holder in respect of Units of that Class present in person or by proxy or by attorney may demand a poll.

3.6.2 The rights conferred upon the Holders of the Units of any Class issued with preferred, deferred, subordinated or other rights shall not, unless otherwise expressly provided by the terms of issue of the Units of that Class or by this Deed as are in force at the time of such issue, be deemed to be varied by the creation or issue of further Units ranking equally therewith.

3.7 Units to be Held Free from Equities

A Holder entered in the Register as the registered holder of Units or (as the case may be) a Depositor whose name is entered in the Depository Register in respect of Units registered to him, shall be the only person entitled to be recognised by the Trustee-Manager as having any right, title or interest in or to the Units registered in his name and the Trustee-Manager may recognise such Holder as absolute owner thereof and shall not be bound by any notice to the contrary and shall also not be bound to take notice of or to see to the execution of any trust, express, implied or constructive, save as herein expressly provided or save as required by any court of competent jurisdiction to recognise any trust or equity or other interest affecting the title to any Units. Save as provided in this Deed, no notice of any trust, express, implied or constructive, shall be entered on the Register or the Depository Register.

3.8 Restrictions

The Holders shall not give any directions to the Trustee-Manager (whether at a meeting of Holders convened pursuant to Clause 25 or otherwise) if it would require the Trustee-Manager to do or omit doing anything which may result in:

- 3.8.1 the Trust or the Trustee Manager ceasing to comply with the Relevant Laws, Regulations and Guidelines or any other applicable laws and regulations; or*
- 3.8.2 the exercise of any discretion expressly conferred on the Trustee-Manager by this Deed or the determination of any matter which under this Deed requires the agreement of the Trustee-Manager, PROVIDED THAT nothing in this Clause 3.8.2 shall limit the right of a Holder to require the due administration of the Trust in accordance with this Deed.*

4.7 Transfer of Units

- 4.7.1 For so long as the Trust is Listed on the SGX-ST, transfers of Units that are held directly through the Depository between Depositors shall be effected electronically through the Depository making an appropriate entry in the Depository Register in respect of the Units that have been transferred in accordance with the Depository Requirements and the provisions of Clause 4.7.2 to 4.7.6 shall not apply. The Trustee-Manager shall be entitled to appoint the Depository to facilitate transactions of Units within the Depository and maintain records of Units of Holders credited into Securities Accounts. Any transfer or dealing in Units on the SGX-ST between a Depositor and another person shall be transacted at a price agreed between the parties and settled in accordance with the Depository Requirements. The broker or other financial intermediary effecting any transfer or dealing in Units on the SGX-ST shall be deemed to be the agent duly authorized by any such Depositor or person on whose behalf the broker or intermediary is acting. In any case of transfer, all charges in relation to such transfer as may be imposed by the Trustee-Manager and/or the Depository shall be borne by the Holder who is the transferor. There are no restrictions as to the number of Units (whether Listed or Unlisted) which may be transferred by a transferor to a transferee. For so long as the Trust is listed on the SGX-ST, in the case of a transfer of Units credited from a Securities Account into another Securities Account, the instrument of transfer shall be in such form as provided by the Depository (if applicable) and the transferor shall be deemed to remain the Depositor of the Units transferred until the relevant Units have been credited into the Securities Account of the transferee or transferred out of a Securities Account and registered on the Depository Register. If the Units are Listed on any other Recognised Stock Exchange, the transfer of Units shall be in accordance with the requirements of the relevant Recognised Stock Exchange. No transfer or purported transfer of a Listed Unit other than a transfer made in accordance with this Clause 4.7.1 shall entitle the transferee to be registered in respect thereof; neither shall any notice of such transfer or purported transfer (other than aforesaid) be entered upon the Depository Register.*
- 4.7.2 For so long as the Trust is Unlisted, every Holder shall be entitled to transfer any of the Units held by him or, in the case of Joint Holders, by any one of the Joint Holders as follows:*
 - (i) a transfer of Units shall be effected by an instrument of transfer in writing in common form (or in such other form as the Trustee-Manager may from time to time approve);*
 - (ii) every instrument of transfer relating to Units must be signed by the transferor and the transferee and, subject to the provision of Clause 4.7, the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the Register in respect thereof. The instrument of transfer need not be a deed;*

- (iii) *all charges in relation to such transfer as may be imposed by the Trustee-Manager shall be borne by the Holder who is the transferor; and*
 - (iv) *there are no restrictions as to the number of Units which may be transferred.*
- 4.7.3 *Every instrument of transfer referred to in Clause 4.7.2 must be duly stamped (if required by law) and left with the Trustee-Manager for registration accompanied by any necessary declarations or other documents that may be required in consequence of any Relevant Laws, Regulations and Guidelines and by such evidence as the Trustee-Manager may require to prove the title of the transferor or his right to transfer the Units.*
- 4.7.4 *For so long as the Trust is Unlisted, the Trustee-Manager shall alter or cause to be altered the Register to record the date of each transfer of Units and the name and address of the transferee.*
- 4.7.5 *For so long as the Trust is Unlisted, all instruments of transfer which are registered in respect of Units shall be retained by the Trustee-Manager.*
- 4.7.6 *For so long as the Trust is Unlisted, a fee not exceeding S\$10.00 (or such other amount as the Trustee-Manager may from time to time agree), which excludes any stamp duty or other governmental taxes or charges payable, may be charged by the Trustee-Manager for its own account for the registration of any transfer by an instrument of transfer of Units. Such fee must, if required by the Trustee-Manager, be paid before the registration of any transfer.*
- 4.7.7 *No transfer or purported transfer of a Unit other than a transfer made in accordance with this Clause 4.7 shall entitle the transferee to be registered in respect thereof and neither shall any notice of such transfer or purported transfer (other than as aforesaid) be entered upon the Register or the Depository Register.*
- 4.7.8 *The Trustee-Manager shall have the power to rectify the Register if it appears to the Trustee-Manager that any of the particulars recorded in the Register (including those particulars set out in Clause 4.1) is wrongly entered or omitted.*

5. Constitution of the Trust

5.1 Trust Property

The Trust Property shall be initially constituted out of the proceeds of the issue of Units and all rights arising out of agreements entered into by the Trustee-Manager acting in its capacity as trustee-manager of the Trust on the date of constitution of the Trust.

5.2 Declaration of Trust

- 5.2.1 *The Trustee-Manager shall hold the Trust Property for the time being on trust for the benefit of the Holders *pari passu*, each of whom has an undivided interest in the Trust Property as a whole subject to the Liabilities and subject to the provisions of this Deed. Any moneys forming part of the Trust Property shall from time to time be invested at the discretion of the Trustee-Manager in accordance with the provisions of this Deed and so that no Unit shall confer on any Holder or any person claiming under or through him any interest or share in any particular part of the Trust Property. Subject to this Deed:*
 - (i) *a Holder is not entitled to the transfer to it of the Trust Property or any part of the Trust Property or of any estate or interest in the Trust Property or in any part of the Trust Property; and*
 - (ii) *the right of a Holder in the Trust Property and under this Deed is limited to the right to require the due administration of the Trust in accordance with this Deed including, without limitation, by suit against the Trustee-Manager.*

5.2.2 *Without limiting the generality of the foregoing, each Holder acknowledges and agrees that:*

- (i) he will not commence or pursue any action against the Trustee-Manager seeking an order for specific performance or for injunctive relief in respect of the Trust Property or any part of the Trust Property and hereby waives any rights he may otherwise have to such relief;*
- (ii) if the Trustee-Manager breaches or threatens to breach its duties or obligations to a Holder under this Deed, that Holder's recourse against the Trustee-Manager is limited to a right to recover damages or compensation from the Trustee Manager in a court of competent jurisdiction; and*
- (iii) damages or compensation is an adequate remedy for such breach or threatened breach.*

5.2.3 *A Holder may not:*

- (i) interfere or seek to interfere with the rights, powers, authority or discretion of the Trustee-Manager;*
- (ii) exercise any right in respect of the Trust Property or any part of the Trust Property or lodge any caveat or other notice affecting the Trust Property or any part of the Trust Property; and*
- (iii) require that any part of the Trust Property (including any Authorised Business undertaking by the Trust or any Investment, or any part thereof) be transferred to a Holder.*

6. Issue of Units

6.1 Issue of Units

6.1.1 *Subject to the provisions of this Deed and any Relevant Laws, Regulations and Guidelines, the Trustee-Manager shall have the exclusive right to effect for the account of the Trust the issue of Units (whether on an initial issue of Units, a rights Issue, an issue of new Units otherwise than by way of a rights issue, any issue pursuant to a reinvestment of distribution arrangement or any issue of Units pursuant to a conversion of any Securities) PROVIDED THAT, in connection with the initial Listing of the Trust on the SGX-ST, the Trustee-Manager shall not be bound to accept an application for Units so as to give rise to a holding of fewer than 1,000 Units (or such other number of Units as may be determined by the Trustee-Manager). No fractions of a Unit shall be issued (whether on an initial issue of Units, a rights issue, an issue of new Units otherwise than by way of a rights issue, any issue pursuant to a reinvestment of distribution arrangement or any issue of units pursuant to a conversion of any Securities) and in issuing such number of Units as corresponding to the relevant subscription proceeds (if any), the Trustee-Manager shall, in respect of each Holder's entitlement to Units, truncate but not round off to the nearest whole Unit and any balance arising from such truncation shall be retained as part of the Deposited Property. Issues of Units shall only be made on a Business Day unless and to the extent that the Trustee-Manager, with the previous consent of the Trustee-Manager, otherwise prescribes. Issues of Units for cash shall be made at a price hereinafter prescribed.*

6.1.2 *The Trustee-Manager may by deed supplemental hereto issue further Classes of Units under such terms and conditions as may be contained therein.*

6.1.3 *The Trust may be listed on the SGX-ST pursuant to Clause 7 and if so listed shall be traded on the SGX-ST and settled through the Depository. Units already in issue may be transferred or otherwise dealt with through the Securities Accounts into which Units are credited in accordance with Clause 4.7.*

- 6.1.4 *If the Trust is Listed on the SGX-ST or any other Recognised Stock Exchange, then the Trustee-Manager shall not thereafter issue any further Units in numbers exceeding the limit, if any, prescribed at the time in the Listing Rules or the listing rules of the relevant Recognised Stock Exchange and any Relevant Laws, Regulations and Guidelines, except where such Units are issued in such circumstances as permitted by the Listing Rules or the listing rules of the relevant Recognised Stock Exchange and any Relevant Laws, Regulations and Guidelines or otherwise as required or permitted by the SGX-ST, the relevant Recognised Stock Exchange or any relevant authorities.*

6.2 Issue Price of Units Prior to the Listing Date

- 6.2.1 *Prior to the Listing Date, the Trustee-Manager may, subject to any Relevant Laws, Regulations and Guidelines, issue Units at any time to any person at any issue price per Unit ("**Issue Price**") and on such terms and conditions as the Trustee-Manager may determine in its absolute discretion.*
- 6.2.2 *The issue of Units for the purpose of an initial public offering of Units shall be at an Issue Price to be determined by the Trustee-Manager, or within such range to be determined by the Trustee-Manager, on or before the Listing Date for such Units, PROVIDED THAT the Trustee-Manager may cede the right to make such determination to any underwriter, issue manager or placement agent engaged in connection with the initial public offering. The actual Issue Price shall be determined by the Trustee-Manager and/or such underwriter, issue manager or placement agent following a book building process or through such other method of price determination as may be decided upon and agreed by the relevant persons. The manner of and amount payable and any applicable refund on an application for Units during the initial public offering will be stated in the relevant Prospectus. Any such offer of Units for the purpose of an initial public offering may remain open for a period as may be agreed by the Trustee-Manager, subject to the prevailing laws, rules and regulations.*
- 6.2.3 *The Trustee-Manager may issue Units at the Issue Price determined in accordance with Clause 6.2.2 to the vendor of any Authorised Investments to be purchased by the Trust in conjunction with an initial public offering of Units, or to any person nominated by such vendor, in full or partial satisfaction of the consideration or any deferred purchase consideration payable by the Trust for such Authorised Investments.*

6.3 Issue Price of Units when the Trust is Listed

- 6.3.1 *Subject to Clauses 6.3.2, 6.3.3 and any Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Trustee-Manager may issue Units on any Business Day at an Issue Price equal to the Market Price, without the prior approval of the Holders in a meeting of Holders. For this purpose "Market Price" shall mean:*
- (i) the volume weighted average price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST, or such other Recognised Stock Exchange on which the Trust is Listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other Recognised Stock Exchange, for the period of 10 Business Days (or such other period as may be prescribed by the SGX-ST or relevant Recognised Stock Exchange) immediately preceding the relevant Business Day; or*
 - (ii) if the Trustee-Manager believes that the calculation in Clause 6.3.1(i) does not provide a fair reflection of the market price of a Unit, an amount as determined by the Trustee Manager (after consultation with a Stockbroker approved by the Trustee-Manager), as being the fair market price of a Unit.*

6.3.2 *The Trustee-Manager shall comply with the Listing Rules in determining the Issue Price, including*

- (i) the Issue Price for a rights issue on a pro-rata basis to all existing Holders;*
- (ii) the Issue Price of a Unit issued other than by way of a rights issue offered on a pro-rata basis to all existing Holders;*
- (iii) the Issue Price for any reinvestment of distribution arrangement; and*
- (iv) the discount, if any, to the Issue Price.*

6.3.3 *Where Units are issued as full or partial consideration for the acquisition of an Authorised Investment by the Trust in conjunction with an issue of Units to raise cash for the balance of the consideration for the said Authorised Investment (or part thereof) or to acquire other Authorised Investments in conjunction with the said Authorised Investment, the Trustee-Manager shall have the discretion to determine that the Issue Price of a Unit so issued as full or partial consideration shall be the same as the Issue Price for the Units issued in conjunction with an issue of Units to raise cash for the aforesaid purposes. For the avoidance of doubt, when the issue of the Units to the vendor of the Authorised Investment is not in conjunction with an issue of Units to raise cash, there shall be no discount to the Market Price.*

6.4 Units Issued to Persons Resident Outside Singapore

If a Unit is to be issued to a person resident outside Singapore, the Trustee-Manager shall be entitled to charge for its own account an additional amount to the Issue Price thereof which is equal to the excess of the expenses actually incurred by the Trustee-Manager over the amount of expenses which would have been incurred if such person had been resident in Singapore. In relation to any rights issue or, as the case may be, any preferential offering, the Trustee-Manager may in its absolute discretion elect not to extend an offer of Units under the rights issue to those Holders whose addresses are outside Singapore. In such event, the rights or entitlements to the Units of such Holders will be offered for sale by the Trustee-Manager as the nominee and authorised agent of each such relevant Holder in such manner and at such price, as the Trustee-Manager may determine. Where necessary, the Trustee-Manager shall have the discretion to impose such other terms and conditions in connection with the sale. The proceeds of any such sale, if successful, will be paid to the relevant Holders whose rights or entitlements have been thus sold, PROVIDED THAT where such proceeds payable to the relevant Holders are less than S\$10.00, the Trustee-Manager shall be entitled to retain such proceeds as part of the Trust Property.

6.5 Non-payment of Issue Price

Subject to the Relevant Laws, Regulations and Guidelines and unless otherwise provided in the relevant agreement, application form or other document relating to the issuance of Units, where (a) payment of the Issue Price payable in respect of any Unit agreed to be issued by the Trustee-Manager has not been received before the seventh Business Day after the date on which the Unit was agreed to be issued (or such other date as the Trustee-Manager may agree) or (b) the Issue Price paid in respect of any Unit is returned to the Holder, (in respect of sub-paragraph (a)) the agreement to issue such Unit and (in respect of sub-paragraph (b)) such Units may, in the absolute discretion of the Trustee-Manager, at that time or any time thereafter be cancelled by the Trustee-Manager by giving notice to that effect to the applicant and such Unit shall thereupon be deemed never to have been issued or agreed to be issued (as the case may be) and the applicant therefor shall have no right or claim in respect thereof against the Trustee-Manager, PROVIDED THAT:

- 6.5.1 no previous valuations of the Trust shall be re-opened or invalidated as a result of the cancellation of such Units; and*

- 6.5.2 *the Trustee-Manager shall be entitled to charge the applicant (and retain for its own account) a cancellation fee of such amount as it may from time to time determine to represent the administrative costs involved in processing the application for such Units from such applicant*

6.6 Updating of Securities Account

For so long as the Trust is Listed on the SGXST, the Trustee-Manager shall cause the Depository to effect the book entry of Units issued to a Depositor into such Depositor's Securities Account no later than the tenth Business Day after the date on which those Units are agreed to be issued by the Trustee- Manager.

6.7 Suspension of Issue

The Trustee-Manager may, subject to the Listing Rules, suspend the issue of Units during any of the following events:

- 6.7.1 *when the SGX-ST or any other relevant Recognised Stock Exchange is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;*
- 6.7.2 *the existence of any state of affairs which, in the opinion of the Trustee-Manager, might seriously prejudice the interests of the Holders as a whole or of the Trust Property;*
- 6.7.3 *when, for any reason, the prices of investments cannot be promptly and accurately ascertained;*
- 6.7.4 *when remittance of money which will or may be involved in the realisation of Investments or in the payment for Investments cannot, in the opinion of the Trustee-Manager, be carried out at normal rates of exchange;*
- 6.7.5 *in relation to any general meeting of the Holders, the period of 48 hours before such general meeting or any adjournment thereof;*
- 6.7.6 *where the issuance of Units is suspended pursuant to any order or direction issued by the MAS or other relevant regulatory authorities; or*
- 6.7.7 *when the business operations of the Trustee-Manager in relation to the Trust are substantially interrupted or closed as a result of, or arising from, nationalisation, expropriation, currency restrictions, pestilence, widespread communicable and infectious diseases, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes, nuclear fusion or fission or acts of God.*

Such suspension shall take effect forthwith upon the declaration in writing thereof by the Trustee-Manager and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this Clause 6.7 exists upon the declaration in writing thereof by the Trustee-Manager. In the event of any suspension while the Trust is Listed, the Trustee-Manager shall ensure that immediate announcement of such suspension is made through the SGX-ST.

1.2 Rights in respect of distributions

The relevant provisions in clause 10 of the Trust Deed, which set out the Unitholders' rights in respect of distributions, are set out below in italics:

10. Distributions

10.1 Distribution to Holders

Subject to this Clause 10 and to the Relevant Laws, Regulations and Guidelines, the Trustee-Manager shall make distributions of at least 90.0% of the Distributable Amount determined in accordance with Clause 10.4.1 to Holders at half-yearly intervals or at such other intervals as the Trustee-Manager shall decide in its absolute discretion.

10.2 Determination of Distributable Amount and Reserves

The Trustee-Manager (acting after consultation with the Auditors) may from time to time:

10.2.1 *set aside out of the profits of the Trust and to carry to reserve such sums and make such provisions as it thinks fit;*

10.2.2 *determine the amount available for distribution; and*

10.2.3 *capitalise any sum for the time being standing in the reserves or otherwise available for distribution.*

10.3 Frequency of Distribution of Income

The Trustee-Manager will endeavour to ensure that for each Financial Year there is at least one distribution and the last distribution covers the period up to the last day of the Financial Year. For each Distribution Period, the Trustee-Manager will calculate and distribute each Holder's Distribution Entitlement in accordance with the provisions of this Clause 10.

10.4 Distribution Entitlement

10.4.1 *"Distributable Amount" for a Distribution Period is to be determined in accordance with the following formula:*

$$DA=E+C$$

Where:

"DA" is the Distributable Amount;

"E" is any amount of Net Tax-Exempt Income which the Trustee-Manager has determined is to be distributed; and

"C" is any additional amount (including capital), which may be a negative amount, which the Trustee-Manager has determined is to be distributed or if thought fit by the Trustee-Manager, to be transferred to or from an undistributed income reserve account.

10.4.2 *Each Holder's Distribution Entitlement is to be determined in accordance with the following formula:*

$$DA \times \frac{UH}{UI}$$

where:

"DA" is the Distribution Amount;

“UH” is the number of Units held by the Holder at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent he is entitled to participate in the Distribution Amount; and

“UI” is the number of Units in issue in the Trust at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent the Holder is entitled to participate in the Distribution Amount.

10.5 Distribution of Entitlement

10.5.1 *Save for the Vendor Special Units and subject to Schedule 2, upon declaration by the Trustee-Manager of a Distribution, each Holder shall be entitled to receive and the Trustee-Manager shall pay, the Holder's Distribution Entitlement on or before the Distribution Date for the Distribution Period. Holders of the Vendor Special Units shall be entitled to Distributions as specified in Schedule 2.*

10.5.2 *The persons who are Holders on the Record Date for a Distribution Period are entitled to their respective Distribution Entitlements for that Distribution Period.*

10.5.3 *The Trustee-Manager may deduct from each Holder's Distribution Entitlement all amounts which:*

- (i) are necessary to avoid distributing a fraction of a cent;*
- (ii) the Trustee-Manager determines not to be practical to distribute on a Distribution Date;*
- (iii) equal any amount of Tax which has been paid or which the Trustee-Manager determines is or may be payable by the Trustee-Manager in respect of the portion of the income of the Trust attributable to such Holder, or the amount of the distribution otherwise distributable to such Holder.*
- (iv) are required to be deducted by law, the Tax Ruling or this Deed; or*
- (v) are payable by the Holder to the Trustee- Manager.*

10.5.4 *The Trustee-Manager may in its absolute discretion determine how any sum so retained is to be applied and/or paid.*

10.6 Holder Notification

Each Holder must as and when required by the Trustee-Manager, provide such information as to his place of residence for taxation purposes as the Trustee-Manager may from time to time determine.

10.7 Categories and Sources of Income

10.7.1 *For any category or source of income the Trustee-Manager may keep separate accounts and allocate the income from any category or source to any Holder.*

10.7.2 *The Trustee-Manager may cause the distribution of any amount recorded in an account or record kept pursuant to Clause 10.7.1 before the distribution of any other amount.*

10.8 Distribution Policy

The Trustee-Manager acknowledges that subject to Clause 10.1, the Trust's distribution policy on and after the Listing Date is to distribute as much of its income as practicable.

10.9 Distribution Reinvestment Arrangements

The Trustee-Manager may advise Holders, from time to time in writing that Holders, may on terms specified in the notice participate in an arrangement under which Holders may request that all or a proportion of specified distributions due to them be applied to the issue of further Units subject to Clause 6.1 and PROVIDED THAT the Issue Price for any such Units to be issued shall be the Issue Price determined in accordance with Clause 6.3 if the Units are Listed and Clause 6.2 if the Units are Unlisted. The Units so issued shall be deemed to be purchased by such Holders. The Trustee-Manager shall be entitled to amend the terms of any such distribution reinvestment arrangements from time to time by notice in writing to Holders.

10.10 Capitalisation of Undistributed Distribution Amount

Prior to the Listing Date, the Trustee-Manager, with the agreement of all Holders, may elect not to distribute in accordance with Clause 10.3 and in lieu of such distribution capitalise the undistributed Distribution Amount.

10.11 Distribution of Capital and Unrealised Gains

The Trustee-Manager may at its discretion cause the distribution of an amount which represents:

- 10.11.1 part of the capital of the Trust and which the Trustee-Manager reasonably determines to be in excess of the financial needs of the Trust; or*
- 10.11.2 part or all of the unrealised gains due to the increase in the capital value of the Real Estate held by the Trust arising from asset enhancement*

1.3 Rights in respect of voting

The relevant provisions of Schedule 1 to the Trust Deed, which set out the Unitholders' rights in respect of voting, are set out below in italics:

Schedule 1

1. General Meetings

1.1 Annual general meetings

An Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Trustee-Manager. All other general meetings shall be called Extraordinary General Meetings.

1.2 Extraordinary general meetings

The Trustee-Manager may whenever it thinks fit, and shall on requisition in accordance with the Relevant Laws, Regulations and Guidelines, proceed with proper expedition to convene an Extraordinary General Meeting.

1.3 Requisition and calling of general meetings

Requisition of general meetings and calling of general meetings shall be in accordance with the Business Trusts Act and any other Relevant Laws, Regulations and Guidelines.

2. Notice of General Meeting

- 2.1 Subject to the Business Trusts Act and for so long as the Units are Listed, the Listing Rules as well, notice of every general meeting shall be given to the Holders in manner provided in this Deed. The period of notice shall not be inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given. Where there is an inconsistency between the Business Trusts Act and the Listing Rules on the period of notice required, the period of notice required for the purposes of this Deed shall be the longer of the periods of notice prescribed by the Business Trusts Act and the Listing Rules.
- 2.2 The notice shall specify the place, day and hour of meeting and the terms of the resolutions to be proposed. The accidental omission to give notice to or the non-receipt of notice by any of the Holders shall not invalidate the proceedings at any meeting.
- 2.3 Notwithstanding the preceding sub-Paragraphs of this Paragraph 2 but subject to the Relevant Laws, Regulations and Guidelines, any notice or other document required to be served upon or sent to all the Holders for the time being shall be deemed to have been duly served or sent if published in any one leading English-language daily newspaper in Singapore. Any notice or document so served or sent shall be deemed to have been so served or sent on the date of such publication and, if the publication in the two newspapers does not appear on the same day, on the date of the later publication.

3. Proceedings at meetings

3.1 Chairman of meetings

The chairman or deputy chairman of the Board or if the chairman or deputy chairman is not present or there is no chairman or deputy chairman present, a person nominated in writing by the Trustee-Manager shall preside as chairman ("**Chairman**") at a general meeting. If the chairman or deputy chairman is not present within fifteen minutes after the time appointed for holding the general meeting, or in the case where there is no chairman or deputy chairman present and there is no person nominated in writing by the Trustee-Manager or such nominated person is not present, the Holders present shall choose one of their number to be Chairman.

3.2 Quorum

No business other than the appointment of a Chairman shall be transacted at any general meeting unless the quorum is present at the commencement of business. The quorum shall be not less than two Holders present in person or by proxy of one-tenth in value of all the Units for the time being in issue, provided that (i) a proxy representing more than one Holder shall only count as one Holder for the purpose of determining the quorum; and (ii) where a Holder is represented by more than one proxy such proxies shall count as only one Holder for the purpose of determining the quorum.

3.3 Adjournment of meetings

- 3.3.1 If within half an hour from the time appointed for a meeting (or such longer interval as the Chairman may think fit to allow) a quorum is not present, the general meeting, if convened on the requisition of Holders, shall be dissolved. In any other case it shall stand adjourned to such day and time being not less than 15 days thereafter and to such place as shall be determined for the purpose by the Chairman.
- 3.3.2 Notice of the adjourned meeting shall be given in the same manner as for an original meeting. Such notice shall state that the Holders present at the adjourned meeting whatever their number and the value of the Units held by them will form a quorum thereat. At any such adjourned meeting the Holders present in person or by proxy thereat shall be a quorum.

- 3.3.3 *The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.*

3.4 Voting

- 3.4.1 *At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded (i) by the Chairman; (ii) by five or more Holders having the right to vote at the meeting; or (iii) by Holder(s) representing not less than 10.0% of the total voting rights of all the Holders having the right to vote at the meeting.*
- 3.4.2 *Unless a poll is so demanded a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.*
- 3.4.3 *If a poll is duly demanded it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the general meeting at which the poll was demanded. The Chairman may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.*
- 3.4.4 *A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chairman directs. A demand for a poll may be withdrawn at any time.*
- 3.4.5 *The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.*

3.5 Votes of Holders

- 3.5.1 *Subject to the Business Trusts Act, each Unit shall confer the right to poll at any meeting to one vote, and one vote only.*
- 3.5.2 *On a show of hands every Holder who (being an individual) is present in person or by proxy or (being a corporation) is present by one of its officers as its proxy shall have one vote.*
- 3.5.3 *On a poll every Holder who is present in person or by proxy shall have one vote for every Unit of which he is the Holder. On a poll votes may be given either personally or by proxy. A person entitled to more than one vote need not use all his votes or cast them the same way.*
- 3.5.4 *In the case of Joint Holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the vote of the other Joint Holders and for this purpose seniority shall be determined by the order in which the names stand in the Register, the first being the senior.*

- 3.5.5 *Where in Singapore or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any Holder on the ground (however formulated) of mental disorder, the Trustee-Manager may in its absolute discretion, upon or subject to production of such evidence of the appointment as the Trustee-Manager may require, permit such receiver or other person on behalf of such Holder to vote in person or by proxy at any meeting or to exercise any other right conferred by Holding of Units in relation to meetings.*
- 3.5.6 *No Holder shall, unless the Trustee-Manager otherwise determines, be entitled in respect of Units held by him to vote at a meeting either personally or by proxy or to exercise any other right conferred by Holding of Units in relation to meetings if any call or other sum presently payable by him to the Trust in respect of such Units remains unpaid.*
- 3.5.7 *For the purposes of determining the number of Units held in respect of Units registered in the name of the Depository and the number of votes which a particular Holder may cast in respect of such Units, the Trustee-Manager shall be entitled and bound to accept as accurate the number of Units credited into the Securities Account(s) of the relevant depositor as shown in the records of the Depository as at a time not earlier than 48 hours prior to the time of the relevant meeting, supplied by the Depository to the Trustee-Manager, and to accept as the maximum number of votes which in aggregate that depositor and his proxy(ies) (if any) are able to cast on a poll a number which is the number of Units credited into the Securities Account(s) of the relevant depositor, as shown in the aforementioned records of the Depository, whether that number is greater or smaller than that specified by the depositor or in the instrument of proxy. The Trustee-Manager shall not under any circumstances be responsible for, or liable to any person as a result of it, acting upon or relying on the aforementioned records of the Depository.*

4. Proxies

- 4.1 *An instrument of proxy may be in the usual common form or in any other form which the Trustee-Manager shall approve.*
- 4.2 *The instrument appointing a proxy shall be in writing, under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised.*
- 4.3 *The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at such place as the Trustee-Manager may in the notice convening the meeting direct or if no such place is appointed then at the registered office of the Trustee-Manager not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. A person appointed to act as a proxy need not be a Holder.*
- 4.4 *The instrument appointing a proxy to vote at a meeting of the Holders shall be deemed to confer authority to demand or join in demanding a poll. A demand by a person as proxy for a Holder shall, for the purpose of Paragraph 3.4, be deemed to be the same as a demand by the Holder.*

- 4.5 *A Holder may appoint not more than two proxies to attend and vote at the same meeting, PROVIDED THAT if the Holder is a Depositor, the Trustee-Manager shall be entitled and bound:*
- 4.5.1 *to reject any instrument of proxy lodged if the Depositor is not shown to have any Units entered against his name in the Depository Register as at 48 hours before the time of the relevant meeting as certified by the Depository to the Trust; and*
- 4.5.2 *to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of Units entered against the name of that Depositor in the Depository Register as at 48 hours before the time of the relevant meeting as certified by the Depository to the Trust, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.*
- 4.6 *In any case where a form of proxy appoints more than one proxy, the proportion of the holding of Units concerned to be represented by each proxy shall be specified in the form of proxy.*
- 4.7 *A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Units in respect of which the proxy is given PROVIDED THAT no intimation in writing of such death, insanity, revocation or transfer shall have been received at the place appointed for the deposit of proxies or if no such place is appointed at the registered office of the Trustee-Manager before the commencement of the meeting or adjourned meeting at which the proxy is used.*

5. Minutes of proceedings

- 5.1 *The Trustee-Manager shall exercise Due Care to ensure that it will comply with all provisions of Relevant Laws, Regulations and Guidelines in relation to records of proceedings of meetings.*
- 5.2 *Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Trustee-Manager and any such minute as aforesaid if purporting to be signed by the Chairman of the meeting shall be evidence of the matters therein stated and until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat to have been duly passed.*

6. Resolutions

- 6.1 *A resolution in writing signed by or on behalf of all the Holders for the time being entitled to receive notice of any meeting of Holders shall be as valid and effectual as an Ordinary Resolution or an Extraordinary Resolution (as the case may be) passed at a meeting of those Holders duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by or on behalf of one or more of the Holders concerned.*
- 6.2 *An Extraordinary Resolution or an Ordinary Resolution, as the case may be, shall be binding on all Holders whether or not present at the relevant meeting and each of the Holders and the Trustee-Manager shall, subject to the provision relating to indemnity in this Deed, be bound to give effect thereto accordingly.*

7. Corporate representatives

- 7.1 *A corporation, being a Holder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of Holders and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.*

APPENDIX 4

EXTRACTS OF THE VALUATION SUMMARY REPORT



Extract of Independent Property Valuation Summary Report

Knight Frank India Pvt. Ltd has been instructed by Indiabulls Property Management Trustee Pte. Ltd. as Trustee Manager for Indiabulls Properties Investment Trust (the “Company”) to provide a formal opinion of value of the Company’s interests in the proposed developments of properties located in **Indiabulls Properties Private Ltd and Indiabulls Real Estate Company Private Ltd** located at Lower Parel, Mumbai, (hereinafter referred to individually as a “Property” and collectively, the “Properties” or the “Portfolio”).

Knight Frank is providing this opinion of value (the “Valuation Report”), to be used in the preparation of financial results of the Company for the financial year ended 31st March 2017, or for any other document to be produced in relation thereof. This extract forms part of the complete report wherein particular attention is drawn to the assumptions, qualifications and disclaimers included in the Valuation Report.

Date of Valuation

We confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we deem necessary to derive our opinion of the valuation of the Trust’s proposed interests in the Properties (the “Valuation”) as at 31st March 2017 (the “Date of Valuation”).

Portfolio Overview

We have carried out the Valuation of the following Properties:

1. Indiabulls Properties Private Ltd

The Property has city survey no. 841 and 882 of Mumbai City in the state of Maharashtra in India. The land area is 11.1 acres and is located on Senapati Bapat Marg, Lower Parel, Mumbai. One Indiabulls Centre has been developed as a commercial development while Indiabulls Sky and Indiabulls Sky Forest (hereinafter referred to collectively as “residential development”) are being developed as high- end residential developments.

The Property is located on the Senapati Bapat Marg (Tulsi pipeline road), very close to Elphinstone Road railway station. It lies in the micro-market of Lower Parel. The immediately adjoining localities of Worli and Prabhadevi in this micro-market are nearby and have an important influence on the development on the subject.

2. Indiabulls Real Estate Company Private Ltd

The Property has city survey no. 612/613 of Mumbai City in the state of Maharashtra in India. The land area is 7.8 acres and is located on Senapati Bapat Marg, Lower Parel, Mumbai. Indiabulls Finance Centre has been developed as a commercial development while Indiabulls Sky Suites Commercial Project is proposed to be developed as a commercial development.

The Property is located on the Senapati Bapat Marg (Tulsi pipeline road), very close to Elphinstone Road railway station. It lies in the micro-market of Lower Parel. The immediately adjoining localities of Worli and Prabhadevi in this micro-market are nearby and have an important influence on the development on the subject.

The above properties comprise total commercial area of approximately 4.1 million sq ft and total residential area of 2.0 million sq ft.

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Basis of Valuation



Our Valuation has been prepared in accordance with the appropriate sections of both the current Global Professional Standards (“PS”) and Global Valuation Practice Statements (“VPS”) contained within the ‘RICS Appraisal and Valuation standards, (the “Red Book”, 2014 Edition) as well as the International Financial Reporting Standard 13 (IFRS 13), subject to variation to meet the local established law, custom, practice and market conditions and our general principles of valuation.

While Indiabulls Finance Centre which is a completely leased out commercial development has been valued by Rent Capitalisation, our Valuation of rest of the Properties is made on the basis of ‘Net Present Value’, which is our best estimate of value of the proposed developments of properties. The net present value of any property can be calculated after discounting future cash flows at an appropriate discount rate, assuming that the property is perpetually leased at the time of leasing or sold as residential units as applicable. Future cash flows are estimated on the basis of prevailing market conditions, and discount factor is estimated on the basis of the company’s targeted long-term capital structure and the cost thereof, depending on the asset class and its current construction as well as sales/leasing status in consideration. Discount rate is taken as 14% for the commercial development of One Indiabulls Centre, 13.5% for the commercial development of Indiabulls Finance Centre and 17% for the residential developments & proposed Sky Suites Commercial Project for the purpose of this Valuation. Indiabulls Finance Centre is valued by capitalising the Net Current Annual Cash Flows for the development.

We have applied the definition of Net Present Value to each proposed development independently and ignored the potential effect of selling the entire Portfolio at any one time. We have valued the Company’s proposed interest in the Properties with the benefit of vacant possession, unless otherwise stated.

Summary of Valuation

Based on the methodology described above, assumptions discussed herein, we are of the opinion that the net present value of the Company’s interests in the proposed developments, as at 31st March 2017 is as follows:

No. Particulars	Value of Property INR million
1. Indiabulls Properties Private Ltd	
Commercial Component	34,791
Residential Component	33,092
2. Indiabulls Real Estate Company Private Ltd	
Commercial Component	26,336
Proposed Commercial Component	4,820
Total	99,040

For Knight Frank (India) Private Limited,

Saurabh Mehrotra MRICS
National Director – Advisory Services

Avijit Mishra MRICS
Regional Manager – Advisory Services

Date: 31 March 2017