CAPITALAND INDIA TRUST
(Registration Number: 2007004)
(a business trust registered under the Business Trusts Act 2004)

ANNOUNCEMENT

ANNUAL GENERAL MEETING TO BE HELD ON 28 APRIL 2025 RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS

CapitaLand India Trust Management Pte. Ltd. as the trustee-manager of CapitaLand India Trust ("**CLINT**", and the trustee-manager of CLINT, the "**Trustee-Manager**") would like to thank all unitholders of CLINT ("**Unitholders**") who submitted their questions in advance of CLINT's Annual General Meeting ("**AGM**") which will be held physically at Marina Bay Sands Expo and Convention Centre, Level 3, Begonia Junior Ballroom, 10 Bayfront Avenue, Singapore 018956 on Monday, 28 April 2025 at 2.30 p.m. (Singapore Time).

Where substantially similar questions are received, we have consolidated such questions and consequently not all questions may be individually addressed. Please refer to our responses to these substantial and relevant questions in **Appendix 1** hereto.

Mr Gauri Shankar, Chief Executive Officer, will deliver a presentation to Unitholders during the AGM.

Following the conclusion of the AGM, the voting results of the AGM will be uploaded on SGXNet and made available on CLINT's website. The minutes of the AGM will be published on CLINT's website on or before 28 May 2025.

BY ORDER OF THE BOARD
CAPITALAND INDIA TRUST MANAGEMENT PTE. LTD.
(Company Registration No. 200412730D)
(as Trustee-Manager of CapitaLand India Trust)

Hon Wei Seng
Company Secretary
25 April 2025

Appendix 1

A. Business Strategy and Investment Pipeline

1. How is CapitaLand India Trust (CLINT) positioned within India's Data Centre (DC) landscape in terms of market share, geographic coverage and target customer segments?

<u>Market Share</u>

India's DC industry is experiencing rapid growth, with total capacity projected to expand from approximately 645 MW in 2022 to 2,616 MW by 2030, reflecting a CAGR of around 19%. This surge is driven by increasing data consumption as well as rising adoption of cloud services, e-commerce and online payments. The sector's attractiveness is underscored by the entry of global technology giants (Amazon, Google, Microsoft), strategic investors (NTT, Equinix), and leading Indian conglomerates (Reliance Jio, Adani, Hiranandani). We are not targeting to capture any particular market share in the industry. Our investments are evaluated carefully and based on the ability to deliver the returns we expect. Based on our current DC power capacity of 250 MW on a completed basis, we are amongst the top 10 data centre players in the Indian market today.

<u>Geographic Coverage</u>

India, despite generating nearly 20% of the world's digital content, currently accounts for just 3% of global digital storage capacity—presenting a significant gap and opportunity. With India being the third-largest digital economy globally and mobile data usage expected to reach 45 GB per user per month by 2029, the demand for strategically located DCs is set to intensify. Our DCs are located across key DC corridors and in Tier-1 cities (such as Bangalore, Chennai, Hyderabad and Mumbai) due to them being the primary hubs for network connectivity and demand. The expected addition of 34 new subsea cable landing stations will further enhance India's role as a regional data transit hub connecting Africa, the Middle East, and Southeast Asia.

<u>Target Customer Segments</u>

We target customers based on the micro-market dynamics. The key customers' segments we focus on comprise:

- Hyperscalers (cloud service providers requiring sizeable capacity and scalable infrastructure)
- Enterprise customers (seeking secure, compliant, and managed colocation services where capacity requirements can vary)

This strategic positioning allows us to cater to both the global tech ecosystem and the domestic enterprise market, diversifying our tenant base while aligning with local regulatory and digital infrastructure trends.

Source: CBRE 2024 India Data Centre Market Update

2. How does CLINT plan to balance the greenfield development and acquisitions to scale the DC platform? How are capital allocation, risk profile, speed to market and potential returns evaluated between the two?

Investing in greenfield development versus acquisition is a function of the yields we are able to generate for our unitholders vis-à-vis the risk we are exposed to. When we entered the DC market in India in 2021, quality income-producing assets were very limited and highly priced given the scarcity. Development assets generated attractive returns while giving us greater control over design and specifications, and the opportunity to build state-of-the-art, scalable infrastructure that could meet the standards and address the needs of hyperscalers and enterprise clients.

<u>Greenfield Development</u>

Our focus is on completing and stabilising our ongoing greenfield developments, with leasing efforts underway to ramp up occupancy and revenue. While the time-to-market for greenfield

	developments is inherently longer due to land acquisition, construction timelines, and regulatory approvals, they are likely to offer superior returns compared to acquisitions. Moreover, they allow us to build best-in-class, future-ready products that can meet the evolving needs of customers. **<u>Acquisition Landscape</u>** At present, the Indian DC market offers very limited acquisition opportunities for institutional-quality, income-generating assets that would be DPU-accretive. Most existing assets are steeply priced and do not meet the performance, scalability, or compliance standards required by us. **<u>Capital Allocation and Risk Assessment</u>** We allocate capital based on a balanced evaluation of risk-adjusted returns, DPU accretion potential, and alignment with long-term platform growth. Greenfield projects carry higher development risk but offer stronger returns and platform value creation over the long term. Acquisitions, while faster in terms of market entry, come with higher pricing multiples and integration challenges, especially in a nascent market like India. We are mindful that development does put some short-term pressure on gearing and DPU and hence keep this within a reasonable percentage of the total portfolio.
3.	**As an asset class, how do DCs compare to business parks and commercial office assets on a risk-adjusted return basis? Does the board envision a material reallocation of capital towards DCs over the medium term?**
	On a risk adjusted basis and a development yield basis, returns from DC and IT Parks (comprising business parks and commercial office assets) are similar. However, considering the scarcity of DC assets and the steep valuations DCs enjoy, the overall returns of DCs are slightly better than those of IT Parks at present. Besides the returns considerations, the DC portfolio also enhances the resiliency of CLINT's portfolio. The Board recognises the strategic importance and long-term potential of DCs within the trust's broader portfolio and tracks the development and leasing performance of the current four DC projects. The Board will decide on any material reallocation of capital towards scaling the DC asset class only after the initial DC portfolio is stabilised, performance benchmarks are met and if the DC segment continues to offer us accretive opportunities.
B. Portfolio Management and Occupancy	
1.	**How does CLINT ensure that the reported fair value gains are reasonable and not overly optimistic, especially for assets under development?**
	We commissioned Savills Property Services (India) Pvt. Ltd. to independently and professionally evaluate CLINT's portfolio as at 31 December 2024. For operational investment properties, the Income Capitalisation Method and Discounted Cash Flow (DCF) Method were used to value them. The final valuation is an average of the values derived by the two methods, where relevant. For under development properties and land parcels, they are valued using the DCF Method and Direct Comparison Method respectively. The Income Capitalisation Method involves estimating stabilised annual net operating income which is then capitalised at a market-based rate. The DCF Method involves forecasting future cash flows from the property using market-based assumptions. The Direct Comparison Method involves comparing the subject land with recently transacted land parcels located within the vicinity, adjusting for differences in characteristics.

2.	**What were the key changes in valuation assumptions that had the greatest impact on the fair values of the DCs?**
	The fair value of the data centre portfolio increased primarily due to the following key changes in valuation assumptions: • The expected completion of leasing and delivery of Tower 1 in Navi Mumbai significantly enhanced income visibility and reduced project risk, positively impacting its valuation. • The completion of Core and Shell (C&S) works for Hyderabad DC marked a major construction milestone, contributing to the asset's transition from development phase to an income-generating phase, thus increasing its valuation. • Chennai DC was previously valued as land due to pending regulatory approvals. With key development approvals now secured, power sanction in place, and construction underway, it was reclassified and valued as a data centre project, resulting in a substantial uplift in fair value. • As the DC developments progressed through leasing, approvals, and construction milestones, the associated risk profile decreased. This de-risking led to a reduction in cap rates and discount rates, which, in turn, elevated the fair valuations across the portfolio.
3.	**Can management share insights on the operational challenges encountered at the Logistics Park in Navi Mumbai? What is the management plan for this asset going forward?**
	• We terminated the sub-lease for all 7 warehouses effective 30 July 2024, due to the Lessee's insolvency as well as tenants' dissatisfaction, and requested the Lessee to handover possession of the warehouses. • Post-termination, we faced several operational challenges such as taking physical possession of the warehouses, securing tenants' inventory and transitioning their data, assigning leases to CLINT and hiring operational and managerial staff. • Most of these issues have now been addressed. We have stabilised operations, onboarded the required staff, and are in the process of assigning leases in favour of CLINT. We expect full operational normalisation by the end of this year. • Our current focus is on stabilising the asset over the next 12 months after which we will evaluate further strategic options.
C. Capital Management and Financials	
1.	**In the past 10 years, I believe the group debt is denominated in INR around 50% plus. Has the board/management study whether 50% plus level is the optimum level for the group??**
	The Trustee-Manager maintains at least 50% of its borrowings denominated in INR. This INR hedging ratio would typically be in the range of 50-75%. A higher INR hedging ratio will ensure a smaller currency mismatch between assets and liabilities but will result in higher interest costs. Also, the Trust maintains a portion of its borrowings as SGD denominated revolving credit facilities, to provide greater flexibility in capital management. On the other hand, a lower INR hedging ratio keeps the interest costs low but may expose CLINT to currency risks. As such, Management had assessed that an INR hedging ratio of at least 50% is optimal as it maintains the right level of balance between interest costs and currency risks.
2.	**What is this alternative investment fund about? Why did the management only set up this alternative fund now?**
	CLINT established the alternative investment fund (AIF) to restructure some of its existing investments. Previously, CLINT funded these through debentures issued directly by the investee company incorporated in India. Under the new structure, investments are routed through the AIF. This is done to enhance earnings and distributions for Unitholders.

	The AIF is regulated by the International Financial Services Centres Authority (IFSCA) in GIFT City, Gujarat. These regulations, which came into effect in 2020, aim to simplify business operations and attract global financial services to India. We have only now adopted the funding structure as the regulatory framework has become clearer over the past couple of years. Please refer to the announcement dated 23 December 2024 for more information.
D. Others	
1.	**What were the extenuating circumstances that led to the absence of several directors from board meetings in 2024, as well as from board and board committee meetings on multiple occasions in prior years? Can the trustee-manager confirm that the absent directors did not participate remotely through voice calls or video conferencing?**
	These occurrences were due to unforeseen circumstances (i.e. urgent work-related matters and/or other pressing commitments the directors had to attend to). For such instances, the directors had sought prior approval for their absence from the respective chairperson of the meetings, reviewed the agenda and meeting materials, and where relevant, communicated views, questions and comments in advance. Management also kept the directors updated on the key matters (both prior to and following the meetings). The post-meeting minutes were circulated to keep all directors apprised and to seek their further inputs where required. The absent directors did not participate remotely through voice calls or video conferencing.
2.	**How can the company secretary and the trustee-manager work together with the board to improve the attendance of directors at board meetings?**
	All Board and Board Committee meetings will continue to be scheduled well in advance, to allow Directors to plan their commitments effectively. The Trustee-Manager stands committed towards observing full attendance at board meetings and will continue working closely with the Company Secretary to facilitate attendance by the Board Directors (in-person, or remotely via video/tele-conference) to the fullest extent possible. Unfortunately, despite all these efforts, there may be instances where it is not possible for Board Members to attend meetings due to extenuating circumstances but we will do our best to keep this to a minimum.
3.	**What is outlook in India by after hit by US Tariff? What is the impact to CLINT?**
	India is currently subjected to a 10% tariff (initial reciprocal tariff rate announced was 26%) on its goods exports to the US till 9 July following the postponement of the higher rate for 90 days. However, no US tariffs are imposed on the service sector, including Information Technology (IT) and Information Technology Enabled Services (ITES) sectors. India did not retaliate to the tariffs and was amongst the first countries to hold bilateral trade talks with the US. **<u>Impact on CLINT</u>** Most of CLINT's tenants operate in the IT/ITES sectors which are not the primary targets of US tariffs. However, cautious expansion plans by MNCs, particularly US-headquartered firms, may delay leasing decisions. There may also be a muted demand in the short term as companies are likely to reassess capital allocation and operational footprints amid geopolitical volatility and possible global economic slowdown. **<u>Impacts on the Indian Economy</u>** In the short term, the impact of US tariffs on the Indian economy is expected to be limited, as India's large and consumption-driven domestic market provides resilience against external demand shocks. In 2024, India's exports to the US were approximated to be only 2.2% of its GDP. The Reserve Bank of India has proactively responded to global headwinds by cutting interest rates to 6%, supporting liquidity and domestic economic momentum. This, coupled with continued government infrastructure spending and policy support, is likely to help cushion against any slowdown in global trade or investment sentiment.

	In the medium term, India potentially stands to benefit structurally from the global realignment of supply chains. With its abundant labour supply, political stability, and improving ease of doing business, India is increasingly seen as a favourable destination for firms, particularly from US-aligned economies, looking to diversify. This could lead to increased investments in contract manufacturing and industrial production, providing a boost to sectors such as logistics, electronics, and infrastructure. India's GDP growth projection remains at 6.6 – 6.8% in FY 2025 – 2026, underscoring its economic resilience and positioning as a potential beneficiary of the evolving global trade landscape. Source: Capital Economics