

CapitaLand Ascott Trust



UBS OneASEAN Conference 2023

May 2023

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Overview of CapitaLand Ascott Trust

Ascott Orchard Singapore

CapitaLand
Ascott Trust

Largest Lodging Trust in Asia Pacific

Constituent of FTSE EPRA Nareit Global Developed Index

S\$8.0b

Total Assets
as at 31 Dec 2022

>18,000¹

Units

105¹

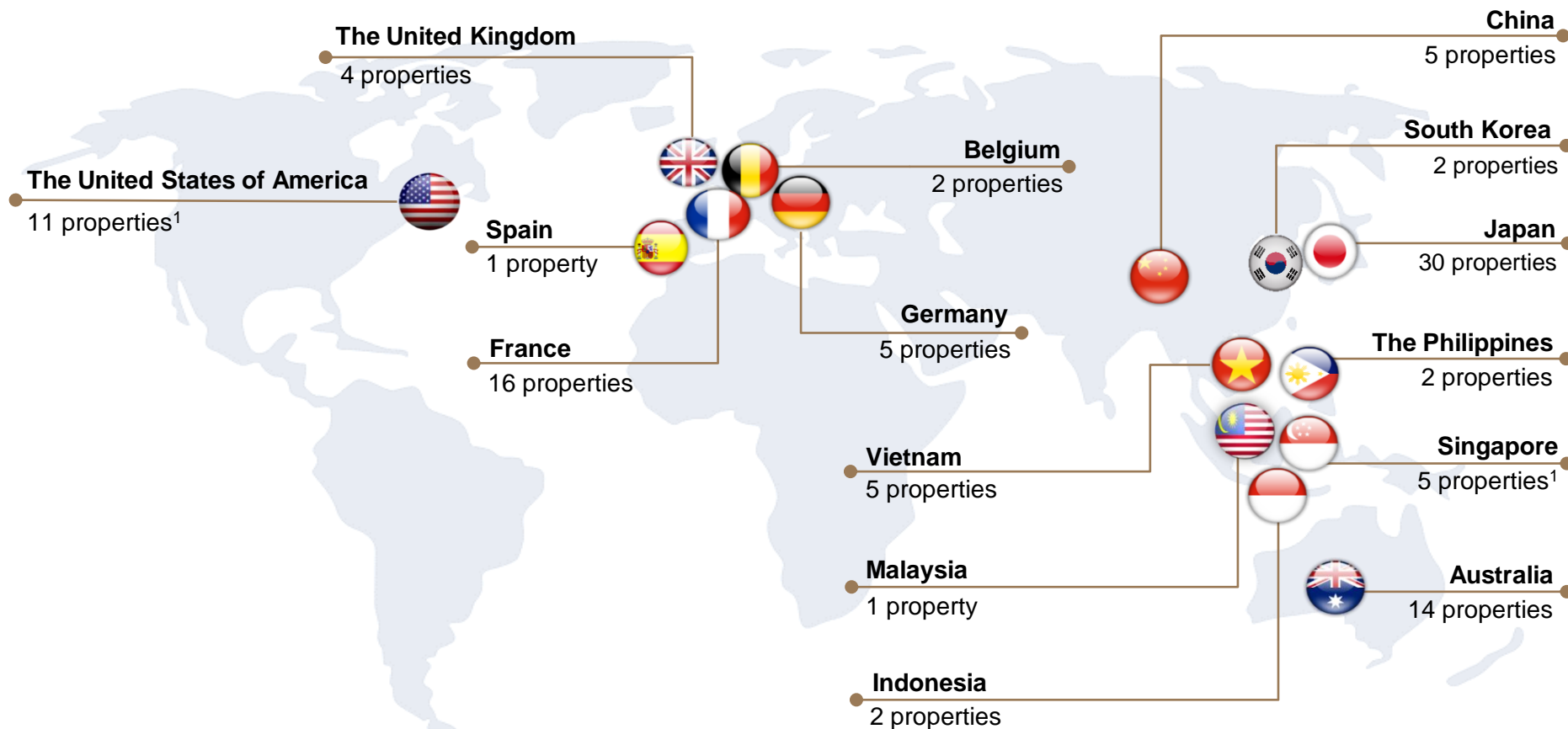
Properties

47

Cities in 15 countries

S\$3.4b

Market Capitalisation



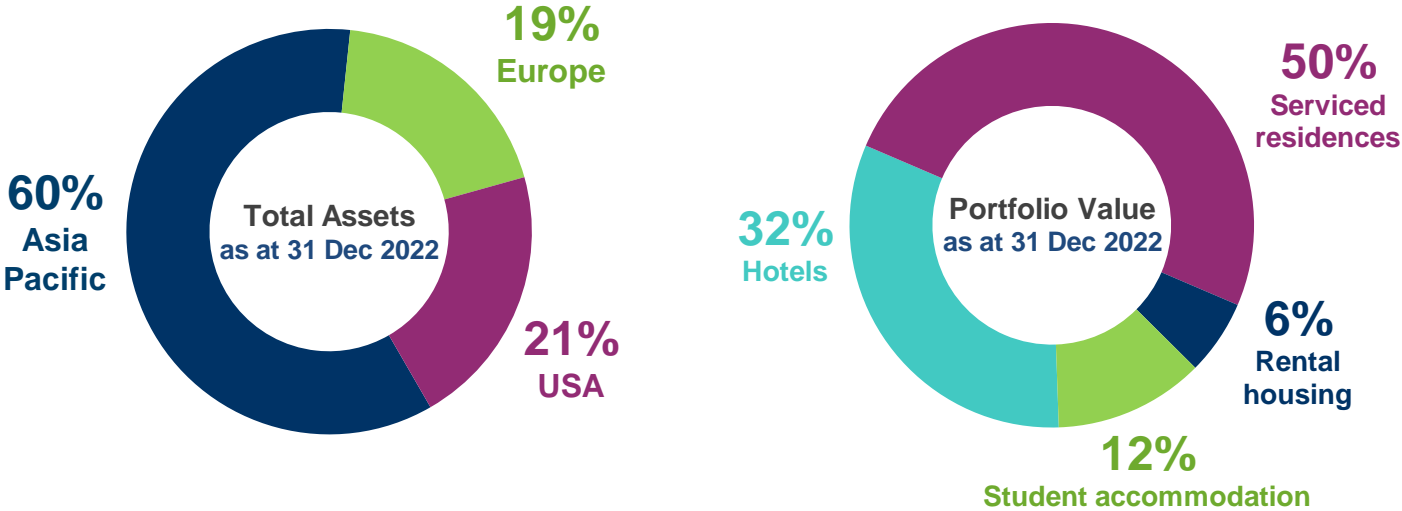
Notes: Above as at/for period ended 31 Mar 2023 unless otherwise stated

1. Including Somerset Liang Court Singapore and Standard at Columbia which are currently under development

Diversified Portfolio With Balanced Mix of Income Streams

Proxy to recovery of hospitality sector while remaining resilient against downside risks

Global presence across 15 countries,
anchored in Asia Pacific



Note: Excludes 2 properties which are currently under development

Notes: Above are as at 31 Mar 2023 unless otherwise stated
1. Management contracts with minimum guaranteed income

Commitment to Sustainability & Corporate Governance

Aligned with CapitaLand's 2030 Sustainability Master Plan



Accolades & Awards

Constituent of

- iEdge-UOB APAC Yield Focus Green REIT Index
- iEdge-OCBC Singapore Low Carbon Select 50 Capped Index

Global Sector Leader
(Listed – Hotel)
Only hospitality trust in APAC
with 5-star rating
GRESB 2021 & 2022

Ranked 1st
Singapore Governance and
Transparency Index 2021 & 2022
REITs and Business Trusts

Best Investor Relations
– Gold
Singapore Corporate
Awards 2022
REITs and Business Trusts

Best Annual Report
Best ESG Materiality Reporting
IR Magazine Awards – SEA 2022
Mid-cap category



Targets in alignment with CapitaLand's Sustainability Master Plan



Reduce by 2030 *(using 2008 as a base year)*

- **Carbon** emissions intensity by **78%** ----- 30% in 9M 2022¹
- **Energy** consumption intensity by **35%** ----- 19% in 9M 2022¹
- **Water** consumption intensity by **45%** ----- 37% in 9M 2022¹



Increase proportion of total electricity from **renewable sources** to **35%**

CLAS' Belgium, Germany and UK properties procure 100% of energy from renewable sources



Green certification

- **50%** of gross floor area by **2025** ----- 37% as at Dec 2022, up from 33% as at Dec 2021
- **100%** of gross floor area by **2030**



Sustainable Finance

- **Sustainability-linked Finance Framework published in 2022, with second party opinion by Moody's ESG**
- **c.S\$460 mil in sustainable financing to date, including:**
 - First hospitality trust in Singapore to secure a green loan in Jan 2021
 - First hospitality trust globally to issue a sustainability-linked bond (SLB) in Apr 2022
 - Partnered International Finance Corporation to launch its first SLB in the hospitality sector in Nov 2022



Commitment from the Top

- **CLAS Sustainability Committee set up in 2022**
- ESG targets and performance linked to **remuneration of staff and management**

Note:

1. Excludes new properties which are in operation for less than 12 months, properties undergoing asset enhancement programmes and third-party operated properties

1Q 2023 Highlights

CapitaLand
Ascott Trust

lyf one-north Singapore

1Q 2023 Gross Profit Rose 59% Y-o-Y

Travel upswing continues to drive demand for accommodation, with RevPAU rising 90% y-o-y



1Q 2023 gross profit increased 59% year-on-year (y-o-y)

- The higher gross profit was due to stronger operating performance and contributions from new properties
 - Excluding the new properties, gross profit was 53% higher y-o-y
- **Balanced mix of stable and growth income sources**
 - Stable and growth income sources contributed 59% and 41% of gross profit in 1Q 2023 respectively
 - The higher proportion of stable income in 1Q 2023 compared to 4Q 2022 was mainly due to 1Q being a seasonally softer quarter for transient travel

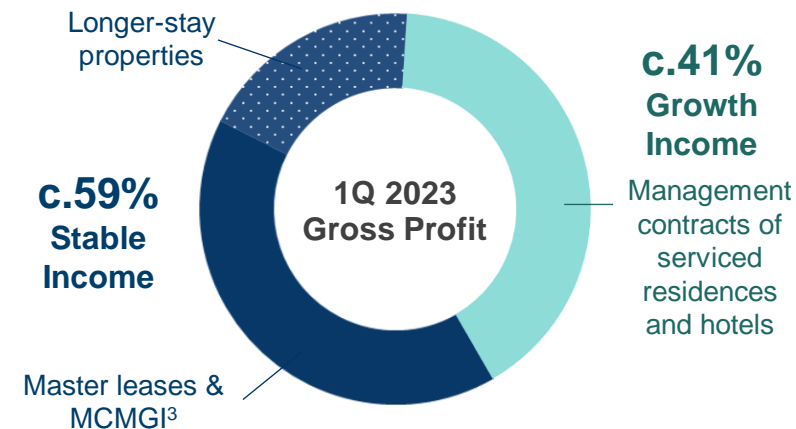


Growth Income: 1Q 2023 RevPAU¹ up 90% y-o-y on higher occupancies and room rates

- 1Q 2023 RevPAU of S\$127 is 93% of 1Q 2019 *pro forma* RevPAU²
- Amongst CLAS' key markets, **Australia, Japan, Singapore and USA performed at pre-Covid levels or above**
- **Japan RevPAU jumped 351% y-o-y to 105% of same-store³ pre-Covid levels**, following the country's reopening to independent leisure travellers in Oct 2022

Notes:

1. Revenue per available unit of properties under management contracts and management contracts with minimum guaranteed income (MCMGI), excludes master leases, rental housing and student accommodation
2. The combination with Ascendas Hospitality Trust (A-HTRUST) was completed on 31 Dec 2019; 1Q 2019 *pro forma* RevPAU includes the performance of the A-HTRUST portfolio
3. Excluding Somerset Azabu East Tokyo which was divested in Dec 2020



1Q 2023
Gross Profit
▲ **59%**
y-o-y

1Q 2023
RevPAU
▲ **90%**
y-o-y to S\$127

Resilience from Stable Income Sources

Minimum rents and guaranteed income provide downside protection while variable components offer upside in a recovery

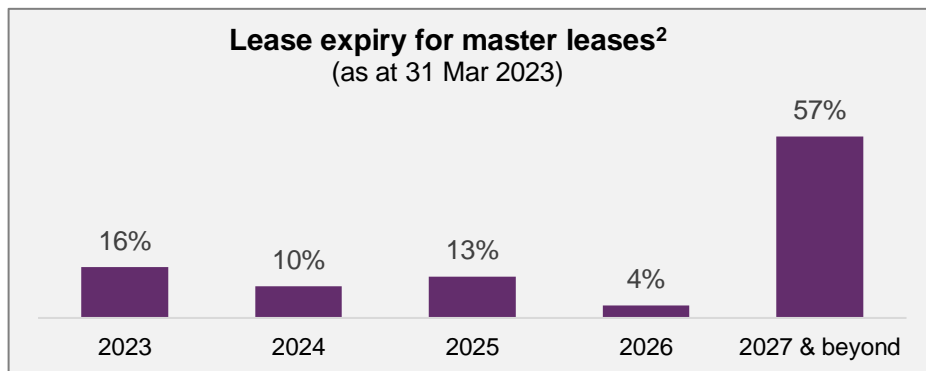


Stable Income¹: Higher gross profit contribution across all segments

Master leases

- **Master lease gross profit rose y-o-y due to higher variable rent and contributions from 2 new properties**
- Of CLAS' 32 master leases, 21 have fixed and variable rent components, and 17 have received variable rent
- Master leases due in 2023 are in France and Australia, and negotiations are underway

Lease expiry for master leases²
(as at 31 Mar 2023)



Notes:

1. Stable income sources include master leases, MCMGI, rental housing and student accommodation
2. Percentage of gross rental income for master leases expiring at respective years over the total gross rental income for all master leases
3. Formerly known as Sagisu Schome
4. Formerly known as Hakata Property

Longer-stay properties (rental housing and student accommodation)

- Longer-stay properties contributed 19% of 1Q 2023 gross profit
- **Occupancy of the properties remained stable at >95%**
- **Student accommodation 98% leased** for the academic year (AY) 2022-2023, compared to >95% for the last AY; with **above-market rent growth of c.6% y-o-y**
- Turnkey acquisition of Eslead Residence Osaka Fukushima East³ and Granfore Hakata Waterfront⁴, both rental housing properties in Japan, completed in Apr and May 2023 respectively; 1 more turnkey acquisition expected to complete in 2024

Management contracts with minimum guaranteed income (MCMGI)

- **Europe properties continued to demonstrate strong performance, close to or above pre-Covid levels**
- From Dec 2022, the master lease for Ascott Orchard Singapore (AOS) was **converted to MCMGI**, offering CLAS greater upside potential; in 1Q 2023, AOS continued to perform well with **ADR surpassing pre-Covid levels**



Key Market Updates



La Clef Louvre Paris

CapitaLand
Ascott Trust

RevPAU Performance of CLAS' Key Markets

Majority of key markets performing at pre-Covid RevPAU levels or above

		1Q 2023	1Q 2022	% Change Y-o-Y	% of 1Q 2019 <i>pro forma</i> same-store RevPAU ¹
Management Contracts with Minimum Guaranteed Income (MCMGI)					
Singapore ²	S\$	362	-	n.m.	n.m.
United Kingdom ³	GBP	112	70	▲ 60%	94%
Management Contracts					
Australia	AUD	155	71	▲ 118%	102%
China	RMB	256	221	▲ 16%	68%
Japan	JPY	12,166	2,699	▲ 351%	105%
Singapore	S\$	121	45	▲ 169%	118%
USA	USD	138	76	▲ 82%	99%
Vietnam ⁴	VND	1,288	712	▲ 81%	81% ⁵

Notes: RevPAU relates to properties under management contracts and MCMGI, excludes master leases, rental housing and student accommodation

1. 1Q 2019 same-store *pro forma* RevPAU includes the A-HTRUST portfolio and excludes properties that were divested from 2019 to 2022

2. The master lease for Ascott Orchard Singapore was converted to MCMGI from Dec 2022

3. The management contracts for three of the properties in the United Kingdom were converted to MCMGI from May 2022. For comparison purposes, the RevPAU for 1Q 2022 was reclassified from MC to MCMGI

4. RevPAU for Vietnam is stated in thousands

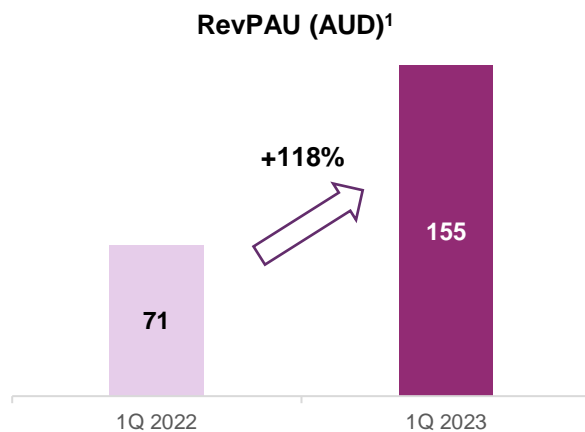
5. Excluding Somerset Central TD Hai Phong City which was acquired in Nov 2022



Australia

Robust performance driven by demand from all segments, events provide additional uplift

13% of total assets: **5** serviced residences (SRs) under master leases; **7** hotels and **2** SRs under management contracts



Management Contracts – SRs & Hotels

- 1Q 2023 RevPAU was **118% higher y-o-y at AUD 155, exceeding 1Q 2019 *pro forma* RevPAU² by 2%**
- The strong RevPAU performance was mainly driven by **average daily rates (ADR) which surpassed pre-Covid levels**
- Feb and Mar 2023 saw a spike in **short-stay demand** from both **domestic corporate and leisure segments**
- **International bookings** continued to return, reflected particularly at the SRs; **uplift was facilitated by increased flight frequencies and boosted by large-scale events** such as the Australian Open and the F1 Grand Prix held in Melbourne, and concerts held across the key cities

- **Outlook for 2Q 2023 positive with room rates expected to sustain at above pre-Covid levels**
- Forward bookings come from both corporate and leisure sources; **conventions and conferences** are expected to boost demand further

Master Leases – SRs

- Properties continued to collect **fixed rent (with annual indexation)** providing stable income to the portfolio; **first full quarter of contribution from Quest Cannon Hill** which was acquired in Nov 2022
- The robust performance was largely driven by **transient leisure demand** in 1Q 2023; **stronger corporate demand volumes** are expected in 2Q 2023

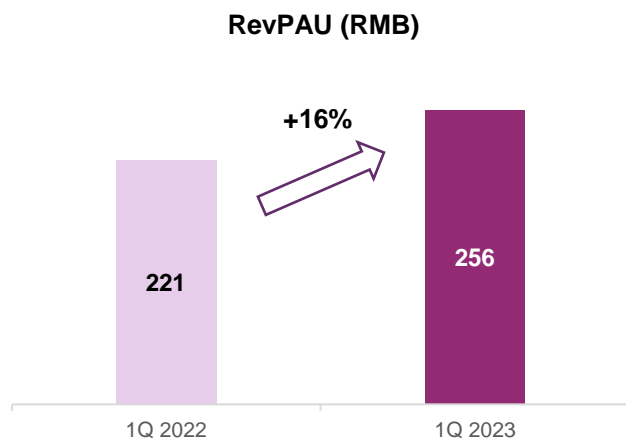
Notes:

1. Pertains to the hotels and serviced residences under management contracts only
2. The combination with A-HTRUST was completed on 31 Dec 2019 and the 2019 *pro forma* RevPAU includes the performance of the A-HTRUST properties

China

Performance remains anchored by long stays, outlook expected to improve

4% of total assets: 5 SRs under management contracts



- All domestic travel requirements had been lifted from Dec 2022; from Jan 2023 onwards, inbound travellers to China were only required to present a negative test result within 48 hours of departure
- 1Q 2023 RevPAU increased **16% y-o-y to RMB 256**, which is **68% of 1Q 2019 same-store RevPAU¹**
- After restrictions were eased and as the year began, local Covid-19 caseloads remained high resulting in a reduced volume of **short stays and transient travellers** initially; **demand from these segments reflected an increase** towards the end of 1Q 2023 as domestic travel confidence gradually recovered
- **Long stays and project groups** continued to be the primary source of demand at our properties, providing resilience with an average length of stay of **c.7 months** in 1Q 2023
- **International demand** is expected to improve further in the coming months, as the **frequencies of flights to and from China** continue to **recover progressively**
- Forward bookings and enquiries for 2Q 2023 reflect an anticipated **uptick in short stays** from both **corporate and leisure segments**, along with a **pick-up in long stays** boosted by an expected rise in **international corporate guests**

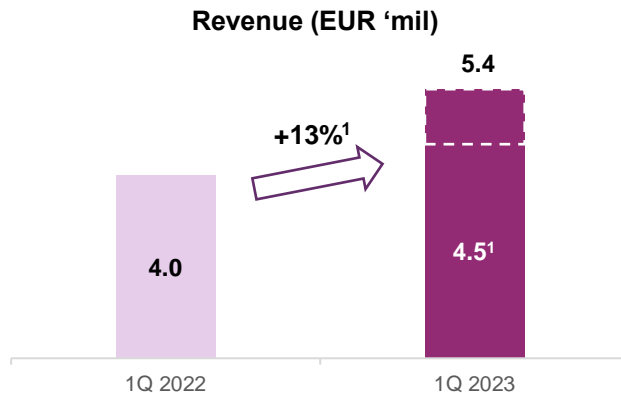
Note:

1. Excluding Somerset Xu Hui Shanghai which was divested in May 2021 and Ascott Guangzhou which was divested in Dec 2020

France

Rental income boosted by strong underlying performance and contribution from La Clef Tour Eiffel Paris; outlook remains positive

8% of total assets: 16 SRs under master leases



- Excluding the contribution from La Clef Tour Eiffel Paris², **on a same-store basis, 1Q 2023 revenue increased 13% y-o-y** mainly due to higher variable rent at the remaining 15 properties
- Collectively, the France properties' **operating performance surpassed 1Q 2019 pre-Covid levels, mainly driven by higher ADR**; average occupancy of the France portfolio remained healthy
- Demand for the quarter was supported by a mix of **leisure and corporate short stays, long stays and group bookings**
- Properties in Paris continued to perform better; while there were strikes in France which resulted in some booking cancellations during the quarter, the impact to CLAS' properties was minimal
- Citadines Les Halles Paris will undergo **refurbishment from 2Q 2023**, with the **capex largely borne by the master lessee**; the property will remain operational and continue to receive rent during the refurbishment
- **Outlook for 2Q 2023 remains positive**, entering into the seasonally higher demand period for travel
- Demand is expected to come from **international leisure and corporate segments, boosted by several city-wide events in Paris**; the luxury La Clef properties are seeing an increase in leisure bookings from China

Notes:

1. Excluding La Clef Tour Eiffel Paris which was acquired in Nov 2022
2. The property was acquired in Nov 2022

Japan

Recovery driven by strong international demand, following full reopening to independent travellers

18% of total assets: **3** hotels and **1** student accommodation under master lease;
3 SRs, **2** hotels and **21** rental housing under management contracts

Management Contracts

SRs

- 1Q 2023 RevPAU for SRs was **351% higher y-o-y at JPY 12,166, exceeding 1Q 2019 same-store RevPAU² by 5%**; Tokyo properties registered ADR that surpassed 1Q 2019 levels
- Strong performance remained driven primarily by **pent-up demand** from the **international leisure segment**, on the back of the full reopening of Japan to independent travellers in Oct 2022; additional uplift arose from the **cherry blossom season**, which stretches from late-Mar to Apr 2023
- Outlook for 2Q 2023 continues to be robust with **sustained leisure demand**, both **international and domestic**

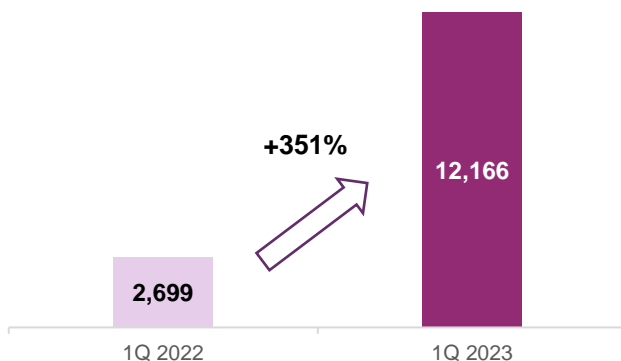
Rental Housing

- Properties continued to offer stable income** with an average occupancy of >95%
- Turnkey acquisition of rental housing properties Eslead Residence Osaka Fukushima East³ and Granfore Hakata Waterfront⁴ completed in Apr and May 2023 respectively; 1 more turnkey acquisition expected to complete in 2024

Master Leases – Hotels & Student Accommodation

- Received fixed rent** from the hotels and student accommodation property

RevPAU (JPY)¹



Notes:

1. Pertains to the serviced residences under management contracts only; excludes rental housing properties and Hotel WBF Kitasemba East and Hotel WBF Kitasemba West which are temporarily closed
2. Excluding Somerset Azabu East Tokyo which was divested in Dec 2020
3. Formerly known as Sagisu 5chome
4. Formerly known as Hakata Property

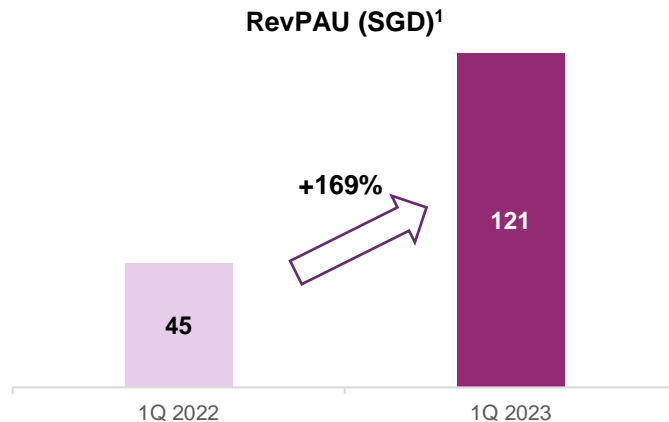


Singapore

Sustained healthy performance driven primarily by corporate demand and large-scale events

17% of total assets: **2** SRs and **1** hotel under management contracts;

1 SR under management contract with minimum guaranteed income (MCMGI); **1** SR under development



Management Contracts – SRs & Hotel

- 1Q 2023 RevPAU was **169% higher y-o-y at S\$121**; on a same-store basis, 1Q 2023 RevPAU for Citadines Mount Sophia Singapore (CMSS) was **18% higher than 1Q 2019 same-store RevPAU²**, driven by ADR which surpassed pre-Covid levels
- Properties continued to perform well in 1Q 2023 as **corporate demand remained strong**, boosted by **several large-scale events and fairs**
- Outlook for 2Q 2023 remains positive, with an **increase in leisure travellers and stronger corporate demand**, facilitated by **holidays and MICE events** in the quarter
- RHRQ is undergoing **renovation which started in Mar 2023** and will be rebranded to The Robertson House, under The Ascott Limited's (TAL) The Crest Collection brand; TAL will bear key money and has undertaken to pay a minimum guaranteed income post-renovation

MCMGI – SR

- From Dec 2022, the master lease for Ascott Orchard Singapore (AOS) was **converted to MCMGI**, offering CLAS greater upside potential
- In 1Q 2023, AOS continued to reflect strong performance with **ADR surpassing pre-Covid levels**
- **Corporate and relocation demand** will continue to be the mainstay for AOS, with leisure demand expected to pick up

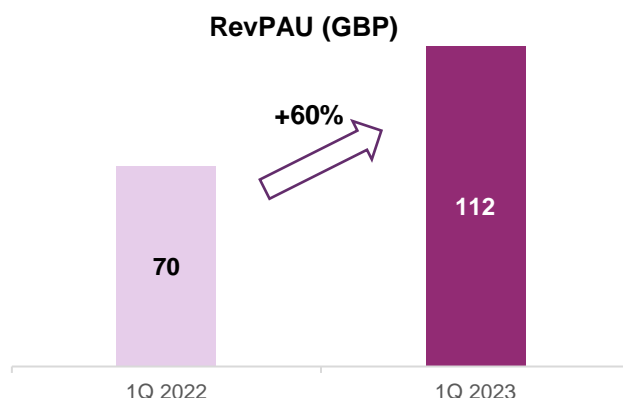
Notes:

1. Pertains to the hotels and serviced residences under management contracts only; excludes AOS which was under a master lease arrangement previously, and converted to MCMGI from Dec 2022 onwards
2. Excluding Somerset Liang Court Singapore which was divested in Jul 2020

United Kingdom

Recovery momentum remains strong, outlook continues to be positive on strong international demand and events

6% of total assets: **4** SRs under management contracts with minimum guaranteed income (MCMGI)



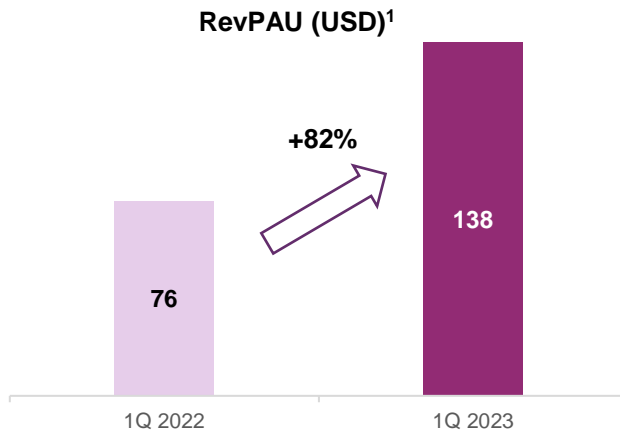
- 1Q 2023 RevPAU was **60% higher y-o-y** at **GBP 112**, **94% of pre-Covid levels in 1Q 2019**, on the back of higher demand with the recovery of the economy and reopening of borders
- **International leisure and corporate demand**, as well as **cultural groups**, continued to drive the ADR and RevPAU of the properties
- **Outlook for 2Q 2023 is positive**, with demand from both **international corporate and leisure travellers, boosted by several holidays and city-wide events**, such as the King's Coronation in May
- Citadines Holborn-Covent Garden London will undergo **refurbishment from 2Q 2023**; **property will remain operational** during the refurbishment
- All properties are under MCMGI; variable income will allow CLAS to enjoy the **upside of the strong recovery** while the guaranteed income continues to **offer downside protection**



United States

Sustained robust performance at hotels, with student accommodation providing stable income

22% of total assets: **3** hotels and **7** student accommodation under management contracts; **1** student accommodation under development



Management Contracts – Hotels

- 1Q 2023 RevPAU **increased 82% y-o-y** to **USD 138, in line with 1Q 2019 RevPAU levels**
- The strong performance was driven by a **sustained return to pre-Covid levels** for both **corporate and leisure travel**; **international bookings** continued to rise and the **proportion of corporate guests** increased against last year
- Outlook for 2Q 2023 remains positive with **more activity and events** in New York City compared to the first quarter, which are expected to facilitate an uptick in **transient guests**, both **domestic and international**

Management Contracts – Student Accommodation

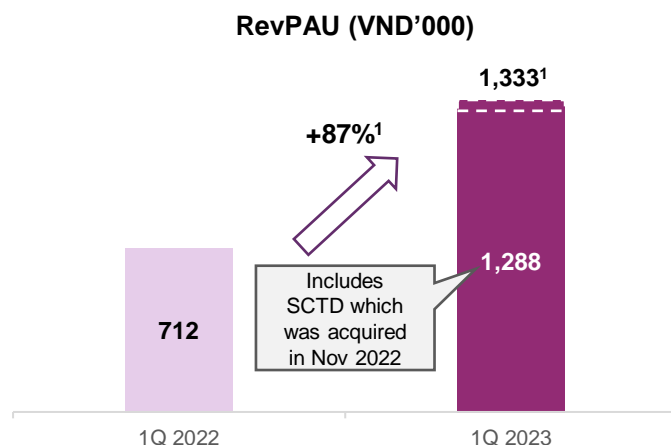
- Properties reflect an **average occupancy of 98%** for the current academic year (AY) 2022-2023, an improvement from >95% for the last AY, **with rent growth of c.6% y-o-y**
- For the AY 2023-2024 beginning in Aug 2023, **pre-leasing on a portfolio level continues to be favourable** and pacing in line with last AY
- Standard at Columbia **on track to complete construction in 2Q 2023**, ready to receive students for AY 2023-2024 beginning in Aug 2023

Note:

1. Pertains to the 3 hotels and excludes the student accommodation properties

Steady recovery as demand progressively returns

3% of total assets: **5** SRs under management contracts



- 1Q 2023 RevPAU **increased 81% y-o-y to VND 1,288,000**
- On a same-store basis¹, 1Q 2023 RevPAU was 87% higher y-o-y, recovering to **81% of 1Q 2019 same-store RevPAU²**
- Improvement was largely driven by **demand from leisure and corporate travellers** due to an **increase in MICE events and tradeshows**
- **Corporate long stays** and **project groups** remained the primary source of business in 1Q 2023, and **average length of stay was c.5 months**
- **Ongoing increase in flights between China and Vietnam** expected to drive visitor arrivals into Vietnam over time
- Nonetheless, the full recovery of the corporate segment depends on Vietnam's visa policies and approval of work permits for foreigners
- **Retail and commercial spaces** in CLAS' Vietnam properties continue to be **well-leased**, offering diversification and a resilient income stream

Notes:

1. Excluding Somerset Central TD Hai Phong City (SCTD) which was acquired in Nov 2022
2. Excluding Somerset West Lake Hanoi which was divested in Oct 2019



Portfolio Updates

CapitaLand Ascott Trust's Positioning

Committed to delivering sustainable returns to Stapled Securityholders

Geographical Allocation

Global in Presence,
Anchored in Asia Pacific



Predominantly in Asia Pacific

Remainder in Europe/USA

- Largest lodging trust in Asia Pacific
- Diversified across 15 countries, Asia Pacific remains core
- Presence in large domestic markets and key gateway cities

Target Asset Allocation

Stable Income Base from Longer-stay Lodging

25-30% in longer-stay accommodation

Resilient and counter-cyclical assets

Capturing Growth as Travel Restarts

70-75% in serviced residences and hotels

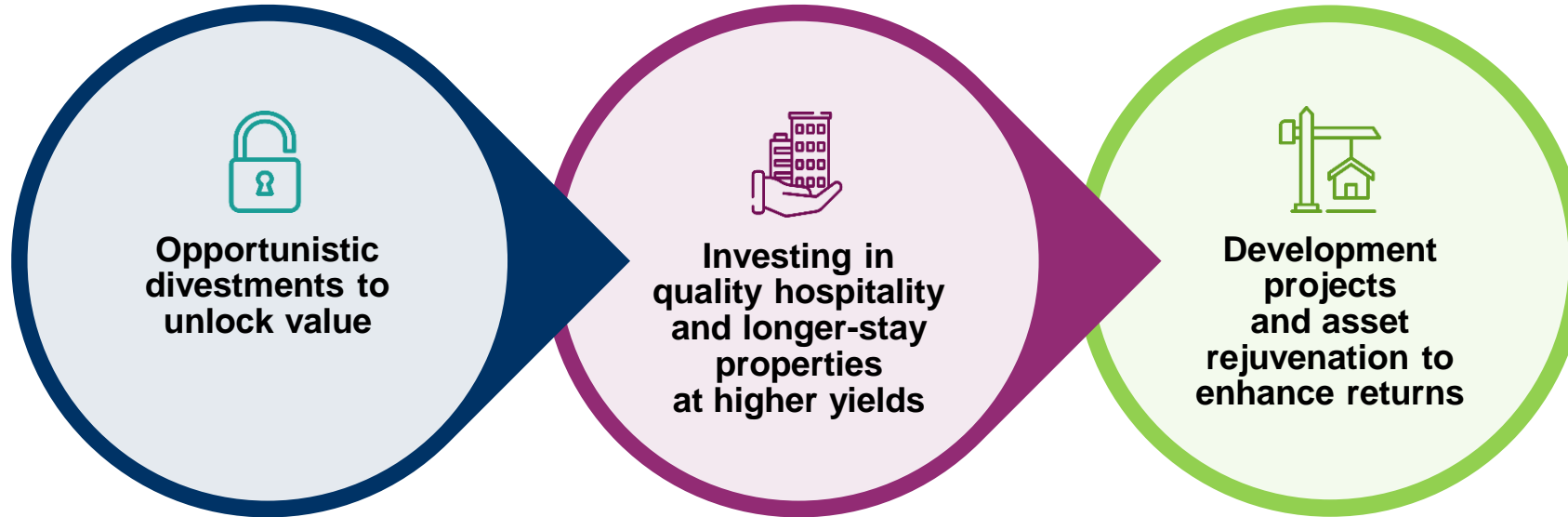
Beneficiaries of travel recovery



- Backed by strong sponsor, The Ascott Limited, one of the leading international lodging owner-operators

Investment & Portfolio Reconstitution Strategy

With its healthy financial position, CLAS has the flexibility to reconstitute and enhance its portfolio to drive sustainable returns



- **Stable income base:** Target to increase asset allocation in longer-stay accommodation to **25-30%** in the medium term
 - Including the acquisitions announced year-to-date, **c.19%** of CLAS' portfolio value¹ is currently in longer-stay accommodation
- **Capturing growth:** Pursuing suitable acquisition, asset enhancement and development opportunities

Note:

1. Portfolio value is based on property valuations as at 31 Dec 2022, value of acquisitions announced or completed up to 31 Mar 2023

Asset Enhancement Initiatives for FY 2023

Uplifting the value and profitability of CLAS' properties



Riverside Hotel Robertson Quay

- Mar 2023 to end-2023
- To be rebranded as The Robertson House by The Crest Collection
- Refurbishment of guest rooms, lobby, restaurant, gym, function rooms and executive lounge, and other M&E works



**Citadines Holborn-Covent
Garden London**

- 2Q 2023 to 2Q 2024
- Refurbishment of guest rooms, public areas, gym and meeting rooms, and other M&E works



Citadines Les Halles Paris

- 2Q 2023 to 1Q 2024
- Refurbishment of guest rooms, lobby, breakfast area, mezzanine and other M&E works



Citadines Kurfürstendamm Berlin

- 2Q 2023 to 1Q 2024
- Refurbishment of guest rooms, public areas and other M&E works

Note: Images are artist's impressions and timelines of the asset enhancement initiatives are subject to change

Rejuvenating the Portfolio with New Developments

New product offerings to cater to the new normal

Development of student accommodation in South Carolina, USA



- **678-bed freehold student accommodation** in South Carolina, USA
- Started as a joint development with Sponsor, The Ascott Limited, and a third-party partner
- CLAS acquired Sponsor's 45% stake in 4Q 2022 and currently owns a 90% stake in the property
- Development **on track to complete in 2Q 2023, ready to receive students for AY 2023-2024** which begins in Aug 2023

Note: Expected opening dates and property details are subject to change

Redevelopment of Somerset Liang Court Singapore



- 192-unit Somerset serviced residence with hotel licence in the popular riverfront lifestyle and entertainment Clarke Quay precinct
- Development update:
 - Site works commenced in mid-Jul 2021
 - Foundation piling works completed in 4Q 2022
 - Substructure works are ongoing
- Development expected to **complete in 2H 2025**

Capital & Risk Management

Somerset Millennium Makati

CapitaLand
Ascott Trust

Capital Management

Strong financial capacity and healthy liquidity position



Strong capital management

S\$1.13¹

NAV per Stapled Security

53%

Total assets in foreign
currency hedged

0.1% (loss)

Impact of foreign exchange after hedges on
gross profit for 1Q 2023



Robust financing flexibility

38.7%

Gearing
(c.S\$1.7 bil debt
headroom²)

Interest cover

4.4X³

2.3%⁴

per annum

Low effective
borrowing cost

61%

of property value
unencumbered

BBB (Stable Outlook)

Fitch Ratings
(upgraded from BBB- in May 2023)



Fortifying liquidity reserves

c.S\$1.20 bil

Total available funds

=

c.S\$390 mil

Cash on-hand

+

c.S\$808 mil

Available credit facilities⁵

Notes: Above as at/for period ended 31 Mar 2023 unless otherwise stated

1. The adjusted NAV per Stapled Security excluding distribution is S\$1.12

2. Refers to the amount of additional debt before reaching aggregate leverage of 50%; based on an aggregate leverage limit of 45%, the debt headroom is c.S\$0.9 bil

3. Computed based on trailing 12 months from Apr 2022 to Mar 2023

4. Effective borrowing cost, including capitalised interest, is 2.4% per annum

5. Balances as at 31 Mar 2023; includes committed credit facilities amounting to approximately S\$379 mil

Capital Management

Well-staggered debt maturity profile and diversified funding sources

69% : 31%

Bank loans : Medium Term Notes

c.75%

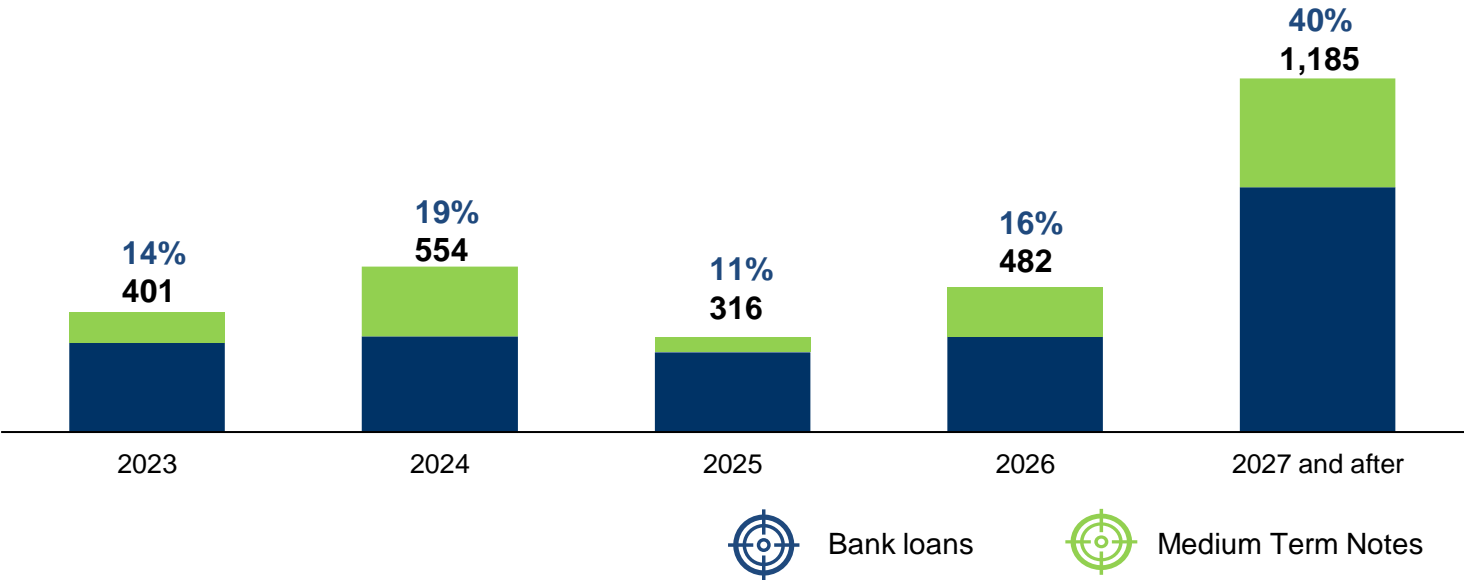
Total debt on fixed rates

3.9 years

Weighted average debt to maturity

S\$' mil

Managing liquidity risks through diversified funding sources



Note: Above as at 31 Mar 2023

Key Highlights

- **Effective borrowing cost increased** due to higher interest rates on floating debt; **increase in revenue was more than sufficient to mitigate the increase in interest cost**
- **Total debt on fixed rates remained high** at 75%; weighted average debt to maturity remained at around 4 years
- **Gearing increased** due to drawdown of debt to fund distribution payment
- **Interest cover remained healthy** at 4.4X
- **Impact of foreign exchange on gross profit (after hedges) was low** at -0.1%



Looking Ahead

CapitaLand
Ascott Trust

La Clef Tour Eiffel Paris

Managing Macroeconomic and Operational Challenges

Impact from headwinds cushioned by mitigation strategies



- CLAS has built a **strong stable income base** and invested in counter-cyclical lodging types which have proven their resilience through Covid-19
- **Strong pent-up demand** driven by reopening of more borders for international travel

Recession Concerns



- CLAS has a high proportion of debt effectively on **fixed rates**, which are locked in for a weighted average of c.4.0 years
- Relatively **low amount of debt (14%, about S\$400 mil) due for refinancing** in 2023

Rising Interest Rates



- CLAS has a **geographically diversified** portfolio with 12 foreign currencies, and the strengthening of some currencies balances out the weakening of others
- CLAS adopts a **natural hedge** wherever possible by borrowing in the currency of the underlying assets
- **Hedging** reduces the impact of foreign exchange on CLAS' gross profit

Volatility in Foreign Exchange



- Electricity costs have increased but remain <10% of CLAS' opex and **mitigated by higher ADR**
- Some properties have **fixed-rate contracts**, while properties under **master leases** receive stable rent and are not directly impacted
- UK government to provide support until 2024
- Long-stay guests have **utility caps**; rental housing and student accommodation tenants **pay for consumption**
- **Go-green initiatives** to reduce consumption

Rising Electricity Costs



- CLAS' predominantly long-stay properties have **lower manning requirements and leaner cost structures** than the typical full-service hospitality property
- Guests are offered the choice to opt out of daily housekeeping, and **technology-enabled features** such as self check-in kiosks have been introduced, to reduce labour requirement

Labour Shortages

Positive Momentum Expected to Continue

CLAS is well-poised to ride the travel upswing while staying resilient against downside risks



Outlook positive in CLAS' markets

- **CLAS' revenue growth has outpaced the increase in operating costs**
- **Demand from both international and domestic segments remains strong**
- **Corporate travel and business activity continues to be healthy** despite some industries facing cost pressures
- **Long stays offer stable base** for markets with stricter visa policies, which may take a longer time to fully recover

China – a tailwind for global travel

- **China is a key source market** of travellers for many countries
- Flight frequencies have yet to return to pre-Covid levels – during the May Day long weekend in 2023, international flights from China was 40% of 2019 levels¹
- **The return of flight capacities is expected to drive outbound travel**

Exercising prudence, delivering sustainable returns

- Amid the macroeconomic uncertainties, CLAS will continue to **exercise financial discipline** in its investment and portfolio reconstitution plans
- CLAS will undertake **asset enhancement initiatives** to uplift the value and profitability of its properties
- **Healthy financial position** and **prudent capital management** enable CLAS to manage rising interest rates and foreign exchange volatility

CLAS is cautiously optimistic of the continued recovery of the sector and well-positioned with its geographically diversified portfolio, range of lodging asset classes and balanced mix of income streams

Note:

1. Source: CTrip



Thank You

Citadines Connect Sydney Airport

CapitaLand
Ascott Trust



Additional Information

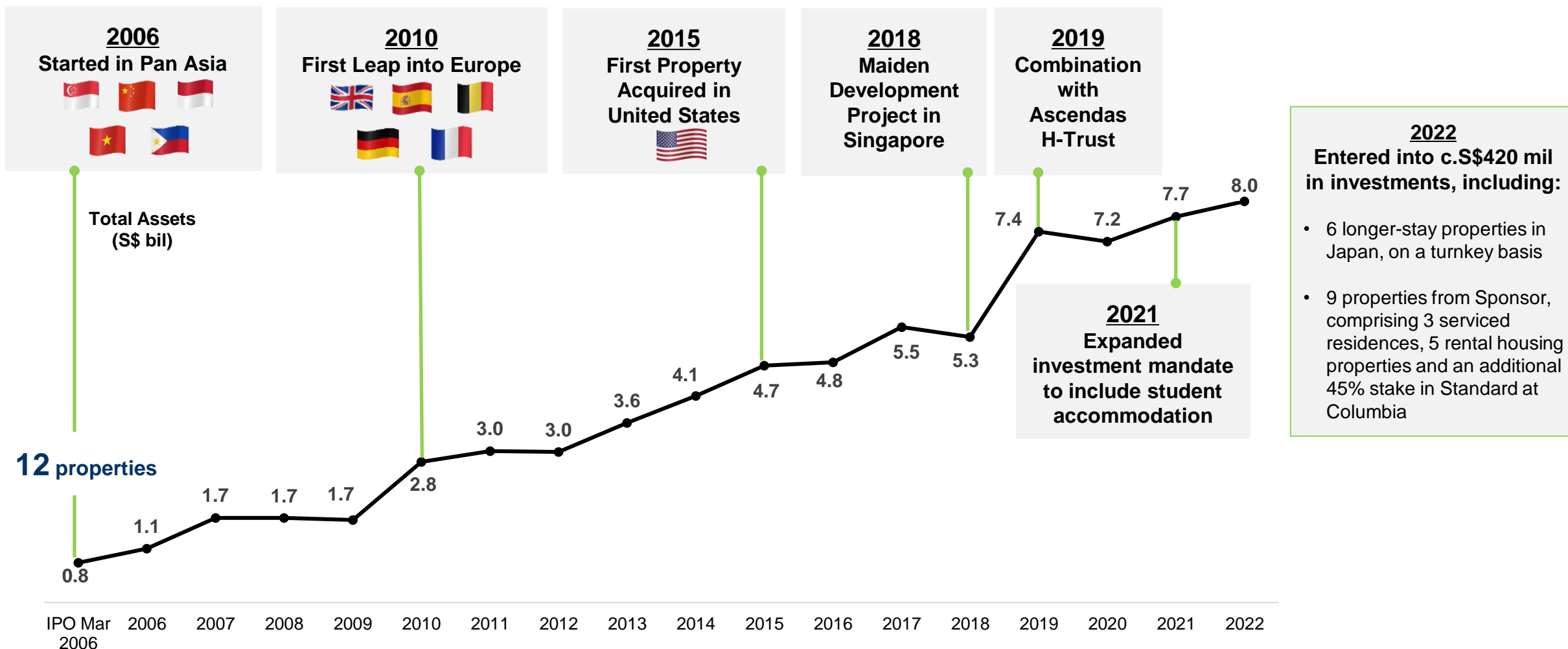
Citadines Place d'Italie Paris

CapitaLand
Ascott Trust

PETIT
BAZAR

Ten-fold Expansion since IPO

Largest lodging trust in Asia Pacific



Creating Value for Stapled Securityholders

Distribution income from the investments over the past three years more than replaced the distribution income lost from the divested properties



FY 2020 and FY 2021

- **c.\$580 mil in proceeds from the divestment of 6 properties; unlocked \$225 mil in net gains**
- Divested properties at premium to book despite COVID-19



FY 2021

- **c.\$780 mil¹ invested across 11 longer-stay properties**
- **Expanded investment mandate to include student accommodation**; invested in 7 operational properties and 1 development project in USA within a year
- Acquired 3 rental housing properties in Japan



FY 2022

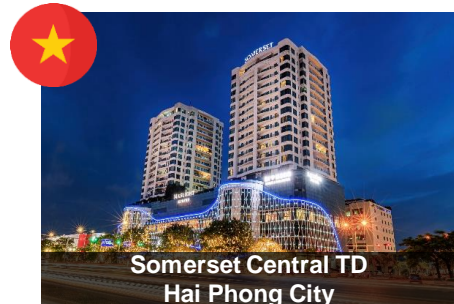
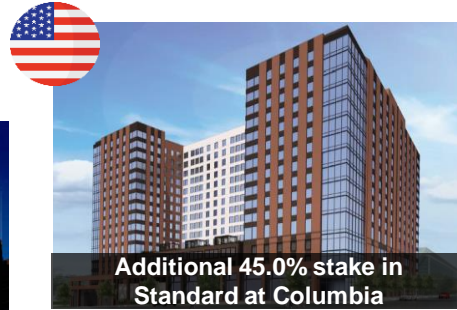
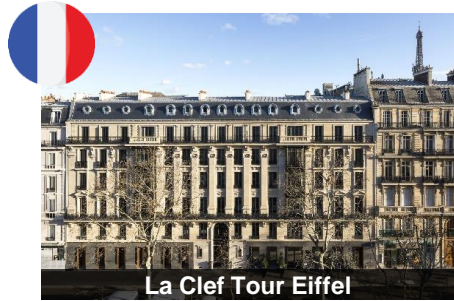
- **Entered into c.\$420 mil² in acquisitions across 15 properties**
- Acquired 3 serviced residences, 5 rental housing properties and additional 45% stake in Standard at Columbia, USA from Sponsor
- Entered into 6 turnkey acquisitions³ in Japan – 5 in rental housing and CLAS' first student accommodation property in Japan

Notes:

1. Refers to the total purchase consideration for the student accommodation and rental housing properties, as well as CLAS' investment in Standard at Columbia (comprising CLAS investment in the initial 45% stake, estimated cost of the additional 5% stake which CLAS will acquire at fair market valuation, and other deal related expenses).
2. Refers to the total purchase consideration for the 15 properties
3. As at May 2023, 5 of the turnkey acquisitions have completed, and the remaining acquisition is expected to complete in 2024

Acquisition of S\$318.3 mil¹ in Assets to Strengthen Presence in Key Markets

Growing total assets and increasing proportion of stable income



Acquisition of 3 serviced residences, 5 rental housing properties and additional 45% stake in Standard at Columbia from Sponsor

▲ **3.0%** DPS accretion

based on 54% debt funding and placement price of S\$1.12

Private placement

2.7x

oversubscribed and upsized to S\$170 mil

Placement price at **tight discount of c.3.7%** to the adjusted VWAP²

c.73%

of placement proceeds to partially fund the acquisition and related fees and expenses

c.27% (S\$45.1 mil) to partially fund future potential acquisitions³

Stapled Securityholder approval obtained, acquisition completed in 4Q 2022

Notes:

1. Total capitalised costs excluding the outstanding development cost and interest expense to be incurred for Standard at Columbia
2. The adjusted volume weighted average price (VWAP) is computed based on the VWAP of all trades in the Stapled Securities on the SGX-ST for the preceding market day on 12 Aug 2022 up to the time the placement agreement was signed on 15 Aug 2022 and excluding the advanced distribution
3. The balance of the proceeds, if any, shall be used for general corporate and/or working capital purposes

Growing Footprint in Longer-stay Lodging

Expanded investment mandate to include student accommodation in 2021

Expansion of investment mandate into student accommodation



Paloma West Midtown, Georgia



Paloma University City, Pennsylvania

- Strategically-located properties that serve **reputable universities** with strong athletics programmes, **large student populations and steady enrolment growth**
- Despite border closures during Covid-19, CLAS' student accommodation properties performed well and registered **average occupancy of >90%** due to USA's **predominantly-local student population**
- **Average length of stay of c.1 year** offers income stability
- As at May 2023, CLAS has 8 student accommodation properties in the USA and 1 in Japan

Building on success of CLAS' rental housing portfolio



Alpha Square Kita 15 jo



Big Palace Minami 5 jo

- Expanding in **Japan's growth cities**, where demand for rental accommodation outstrips supply
- Despite Covid-19, CLAS' rental housing properties performed well and registered **average occupancy of >95%** as they serve Japan's domestic corporate segment
- **Average length of stay of c.2 years** offers income stability
- Low debt funding cost which enhances **cash yield**
- As at May 2023, CLAS has 23 rental housing properties in Japan; 1 more rental housing acquisition, acquired on a turnkey basis, expected to complete by 2024

Acquisitions Entered Into in FY 2022

c.S\$420 mil invested in 15 properties

No.	Property	Lodging Type	Location	No. of units	Purchase price	EBITDA/NOI yield	Acquisition date / target completion date
1	Eslead College Gate Kindaimae	Student Accommodation	Osaka, Japan	112	JPY10.4 bil (S\$125.0 mil)	c.4.0% ¹	Mar 2022
2	Eslead Residence Bentencho Grande	Rental Housing	Osaka, Japan	120			Dec 2022
3	Eslead Residence Umeda Grande	Rental Housing	Osaka, Japan	70			Dec 2022
4	Eslead Residence Osaka Fukushima East (formerly Sagisu 5chome)	Rental Housing	Osaka, Japan	108			Apr 2023
5	Granfore Hakata Waterfront (formerly Hakata Property)	Rental Housing	Fukuoka, Japan	247			May 2023
6	La Clef Tour Eiffel Paris	Serviced Residence	Paris, France	112	S\$215.2 mil	3.7%	Nov 2022
7	Quest Cannon Hill	Serviced Residence	Brisbane, Australia	100		6.5%	
8	Somerset Central TD Hai Phong City	Serviced Residence	Hai Phong City, Vietnam	132		3.2% / 9.7% ²	
9	House Saison Shijo-dori	Rental Housing	Kyoto, Japan	190		4.1% - 5.0%	
10	Marunouchi Central Heights	Rental Housing	Nagoya, Japan	30			
11	S-Residence Gakuenzaka	Rental Housing	Osaka, Japan	58	JPY8.0 bil (S\$82.6 mil)	c.4.0% ¹	2024
12	S-Residence Namba Viale	Rental Housing	Osaka, Japan	116			
13	S-Residence Shukugawa	Rental Housing	Hyogo, Japan	33			
14	Standard at Columbia (additional 45% stake)	Student Accommodation	Columbia, USA	247			
15	Rental Housing Property	Rental Housing	Fukuoka, Japan	-	JPY8.0 bil (S\$82.6 mil)	c.4.0% ¹	2024

Notes:

1. Expected stabilised NOI yield

2. Based on the historical pre-Covid-19 EBITDA levels in 2019

3. Refers to the stabilised EBITDA yield on cost, based on JLL's valuation report; the cost of development is based on the agreed property value of the property plus outstanding construction cost and capitalised interest expense for the development