

**CapitaLand Ascott Trust divests two hotels
in Australia for AUD109.0 million**

***Transaction is part of CLAS' active portfolio reconstitution strategy to
deliver sustainable returns to Stapled Securityholders***

Singapore, 6 November 2023 – CapitaLand Ascott Trust (CLAS) is divesting two mature hotels in Sydney, Australia to an unrelated third party for a total of AUD109.0 million (S\$95.6 million¹). Situated outside of the city centre, the two properties are Courtyard by Marriott Sydney-North Ryde and Novotel Sydney Paramatta.

The two properties will be divested at about 5% above book value² and net proceeds of the divestment is expected to be AUD98.0 million (S\$85.9 million). The exit yield³ is 4.4% and CLAS will recognise a net gain of AUD14.2 million (S\$12.4 million)⁴. The divestment of Courtyard by Marriott Sydney-North Ryde and Novotel Sydney Paramatta is expected to be completed in 1Q 2024 and 3Q 2024 respectively.

Ms Serena Teo, Chief Executive Officer of CapitaLand Ascott Trust Management Limited and CapitaLand Ascott Business Trust Management Pte. Ltd. (the Managers of CLAS), said: “The divestment of these two properties outside of central Sydney is part of our active portfolio reconstitution strategy. CLAS remains focused on assets that offer better yields and will further uplift the value for our portfolio. As additional capital will be required to upgrade these two mature properties, the divestment will enable us to redeploy the proceeds into more optimal uses such as but not limited to paying down debt and funding our other asset enhancement initiatives (AEI). The exit yield is also at an attractive level that compares favourably against the current cost of borrowing in Australia. We recently divested four mature serviced residences in regional France at an exit yield of about 4%. Part of the divestment proceeds will also be used to partially finance our acquisition of three prime lodging assets in London, Dublin and Jakarta at a higher yield of 6.2%⁵, further enhancing our returns to Stapled Securityholders.”

“Australia remains a key market for CLAS. We continue to see strong demand from corporate and leisure guests for our serviced residences and hotels in Australia, boosted by large scale

¹ Based on an exchange rate of AUD1 to S\$0.87683 unless stated otherwise.

² Based on the independent valuation by Colliers in October 2023.

³ Exit yield is computed based on FY 2022 Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA).

⁴ This includes a reversal of deferred tax liability previously provided.

⁵ Excluding the Milestone Payments which are to be made only when 70% of the renovations of The Cavendish London and Temple Bar Hotel are completed. Including the Milestone Payments, the EBITDA yield is 5.1% on a FY 2022 pro forma basis.

sporting events. Post-divestment, our remaining seven serviced residences and hotels under management contracts will enable us to capture the travel demand while our five serviced residences under master leases will continue to provide us with stable income,” added Ms Teo.

In 3Q 2023, revenue per available unit (RevPAU⁶) for CLAS’ properties in Australia was 18% higher year-on-year at AUD152, exceeding 3Q 2019 pro forma RevPAU⁷ by 13%. After the divestment of Courtyard by Marriott Sydney-North Ryde and Novotel Sydney Paramatta, CLAS will have 12 remaining serviced residences and hotels in Australia, in cities such as Brisbane, Melbourne, Perth and Sydney.

This includes Novotel Sydney Central, one of eight properties that are in CLAS’ AEI pipeline to create greater value for Stapled Securityholders. Novotel Sydney Central will undergo an extensive AEI which includes a brownfield extension to add eight more floors and 72 more rooms, a 28% increase from the current inventory. The property’s gross floor area will also expand by 10%. Post-AEI, the property’s value⁸ is expected to increase by about AUD173.3 million (approximately S\$151.9 million) as compared to the valuation as at 31 December 2022 of AUD166.5 million (approximately S\$150.3 million). Based on the valuation by Colliers, the property’s EBITDA is expected to increase by AUD10.1 million (approximately S\$8.9 million) on a stabilised basis, with an 11.3%⁹ yield on AEI cost.

About CapitaLand Ascott Trust (www.capitalandascotttrust.com)

CapitaLand Ascott Trust (CLAS) is the largest lodging trust in Asia Pacific with an asset value of S\$8.1 billion as at 30 September 2023. CLAS’ objective is to invest primarily in income-producing real estate and real estate-related assets which are used or predominantly used as serviced residences, rental housing properties, student accommodation and other hospitality assets in any country in the world. CLAS was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) since March 2006, and is a constituent of the FTSE EPRA Nareit Global Real Estate Index Series (Global Developed Index).

CLAS’ international portfolio comprises 103 properties with more than 18,000 units in 44 cities across 15 countries in Asia Pacific, Europe and the United States of America as at 30 September 2023.

CLAS’ properties are mostly operated under the Ascott, Somerset, Quest and Citadines brands. They are mainly located in key gateway cities such as Barcelona, Berlin, Brussels, Hanoi, Ho Chi Minh City, Jakarta, Kuala Lumpur, London, Manila, Melbourne, Munich, New York, Paris, Perth, Seoul, Singapore, Sydney and Tokyo.

CLAS is a stapled group comprising CapitaLand Ascott Real Estate Investment Trust (CapitaLand Ascott REIT), and CapitaLand Ascott Business Trust (CapitaLand Ascott BT). CLAS is managed by CapitaLand Ascott Trust Management Limited (as manager of CapitaLand Ascott REIT), and CapitaLand Ascott Business Trust Management Pte. Ltd. (as trustee-manager of CapitaLand Ascott BT). The manager and trustee-manager are wholly

⁶ Pertains to the hotels and serviced residences under management contracts only.

⁷ The combination of Ascott Residence Trust (prior to it being renamed as CapitaLand Ascott Trust in 2022) with Ascendas Hospitality Trust (A-HTRUST) was completed on 31 Dec 2019 and the 2019 pro forma RevPAU includes the performance of the A-HTRUST properties.

⁸ Based on the valuation by Colliers, the valuation is expected to be about AUD339.8 million (about S\$297.9 million) following the extension, renovation and stabilisation of the property in 2028.

⁹ Based on stabilised EBITDA before FF&E reserves in 2028 versus EBITDA in 2019 over estimated project cost attributable to CLAS of AUD90.0 million (approximately S\$78.9 million).

owned subsidiaries of Singapore-listed CapitaLand Investment Limited, a leading global real estate investment manager with a strong Asia foothold.

About CapitaLand Investment Limited (www.capitalandinvest.com)

Headquartered and listed in Singapore, CapitaLand Investment Limited (CLI) is a leading global real estate investment manager (REIM) with a strong Asia foothold. As at 30 June 2023, CLI had S\$134 billion of real estate assets under management, and S\$89 billion of real estate funds under management (FUM) held via six listed real estate investment trusts and business trusts, and more than 30 private vehicles across Asia Pacific, Europe and USA. Its diversified real estate asset classes cover retail, office, lodging, business parks, industrial, logistics and data centres.

CLI aims to scale its FUM and fee-related earnings through fund management, lodging management and its full stack of operating capabilities, and maintain effective capital management. As the investment management arm of CapitaLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitaLand's development arm.

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve Net Zero carbon emissions for scope 1 and 2 by 2050. CLI contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

Important Notice

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

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

The past performance of CapitaLand Ascott Trust ("CLAS") is not indicative of future performance. The listing of the Stapled Securities in CLAS ("Stapled Securities") on the Singapore Exchange Securities Trading Limited ("SGX-ST") does not guarantee a liquid market for the Stapled Securities. The value of the Stapled Securities and the income derived from them may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers or any of their affiliates. An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Managers redeem or purchase their Stapled

Securities while the Stapled Securities are listed on the SGX-ST. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on the SGX-ST.

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

Issued by:

CapitaLand Ascott Trust Management Limited

CapitaLand Ascott Business Trust Management Pte. Ltd.

168 Robinson Road, #30-01 Capital Tower, Singapore 068912

Tel: (65) 6713 2888 Fax: (65) 6713 2999

Website: <https://www.capitalandascotttrust.com>

For more information, please contact:

Analyst contact

Denise Wong

Head, Investor Relations & Sustainability

Tel: +65 6713 2151

Email: denise.wong@the-ascott.com

Media contact

Joan Tan

Vice President, Group Communications

Tel: +65 6713 2864 / HP: +65 9743 9503

Email: joan.tanzm@capitaland.com