

MORE THAN

A PLACE TO STAY

1Q FY2018/19 Financial Results Presentation

2 August 2018

Disclaimer

This presentation shall be read in conjunction with A-HTRUST's Unaudited Financial Results for the First Quarter ended 30 June 2018 ("1Q FY2018/19"), copies of which are available on www.sgx.com or www.a-htrust.com.

This presentation may contain forward-looking statements that involve risks and uncertainties. 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 and foreign exchange rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of average daily room rates and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward looking statements, which are based on the Managers' current view of future events.

The Australian Dollar, Chinese Renminbi, Japanese Yen, Korean Won and Singapore Dollar are defined herein as "AUD", "RMB", "JPY", "KRW" and "SGD" or "S\$", respectively.

Any discrepancies in the figures included herein between the individual amounts and total thereof are due to rounding.

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Financial Review



Results Summary – 1Q FY2018/19

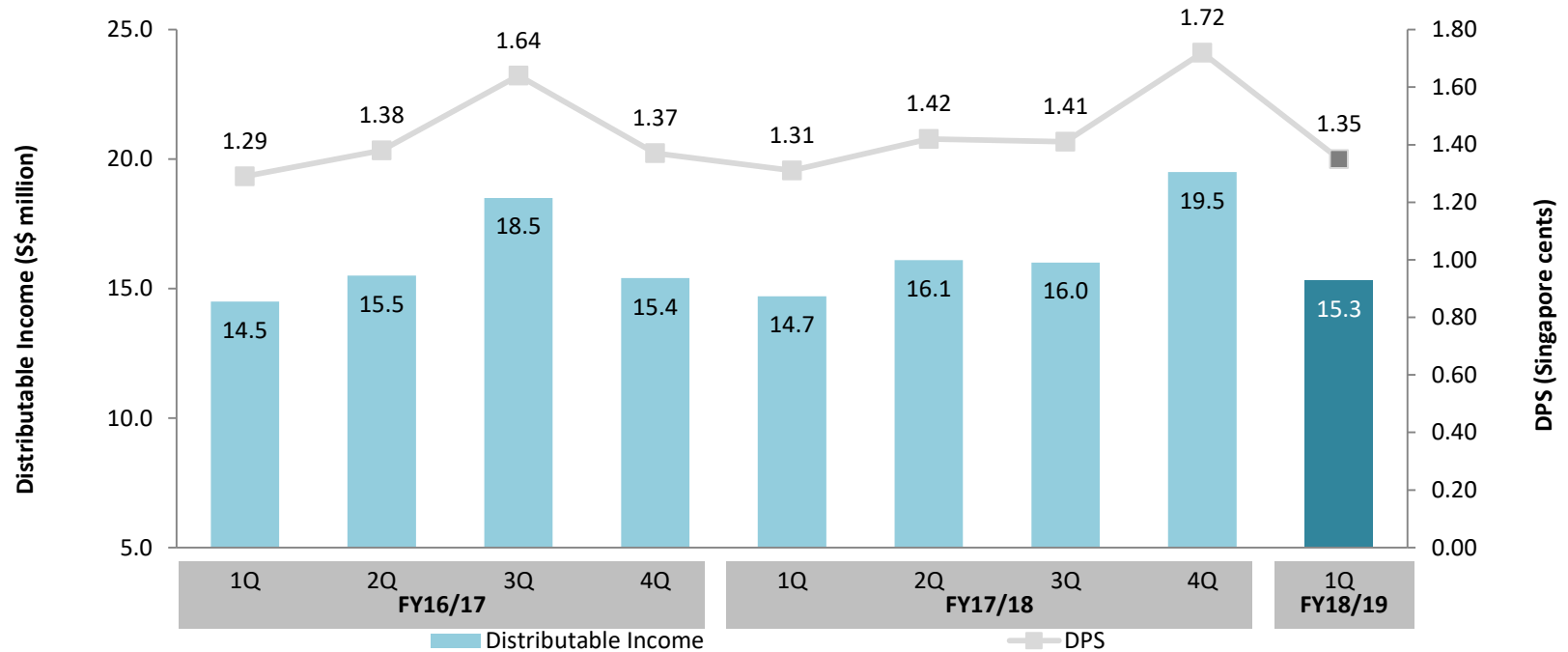
S\$' million	1 st Quarter		Change ¹
	FY2017/18	FY2018/19	
Gross Revenue ²	53.5	48.2	(9.8)%
Net Property Income ²	22.3	20.2	(9.3)%
NPI Margin (%)	41.6	41.9	0.3pp
Income available for distribution	15.8	16.4	3.9%
Adjusted Income available for distribution ³	14.7	15.3	3.8%
DPS (cents) ³	1.31	1.35	3.1%

- Mainly due to weaker performance from Australia portfolio and partial loss of income from China portfolio divested in May 2018
- Weaker AUD and JPY against SGD

- Mainly due to distribution of part of proceeds from divestment of China portfolio and lower finance costs

1. Save for DPS, percentage changes are based on figures rounded to nearest thousands.
2. Presented on a "same-store" basis including China portfolio, which was divested on 18 May 2018.
3. Net of retention of distributable income for working capital purposes. Retention of income was approximately 7% of distributable income for 1Q FY2018/19 and 1Q FY2017/18.

Distribution History



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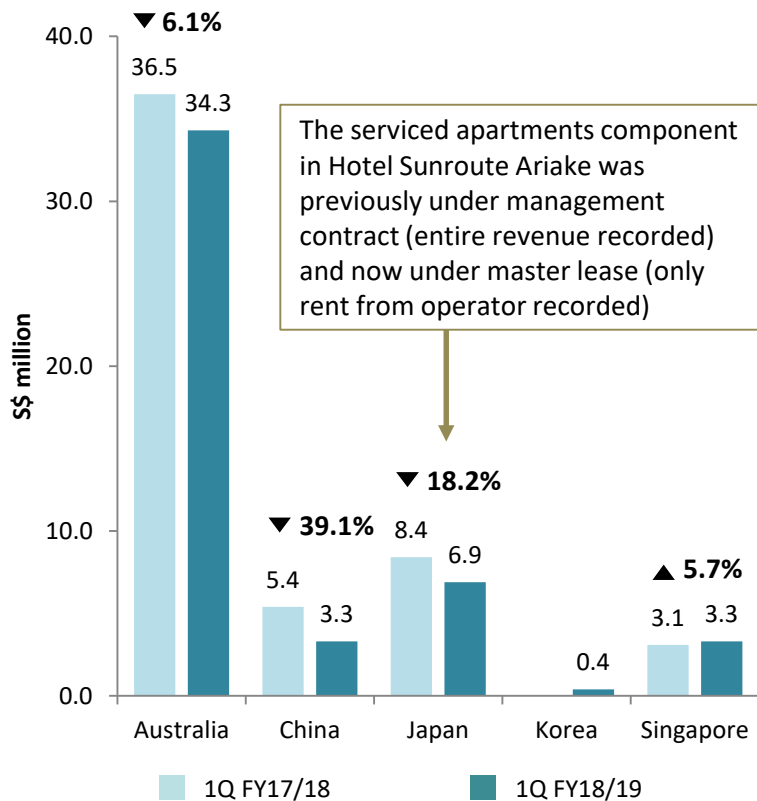
Portfolio Performance



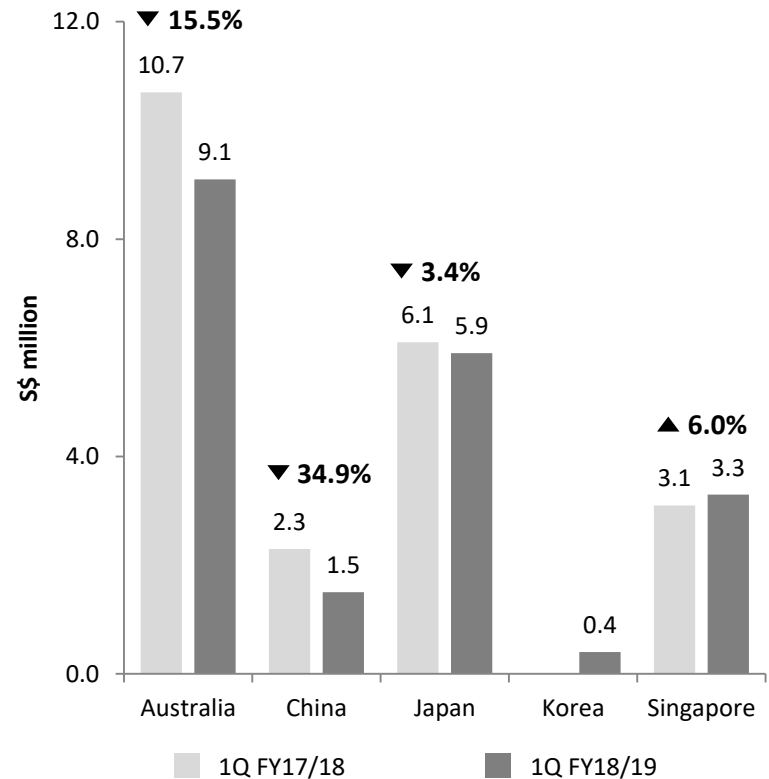
Performance by Country

- ✦ Weaker performance from Australia portfolio and partial loss of income from China portfolio arising from the divestment, exacerbated by the weaker JPY and AUD against SGD

Gross Revenue



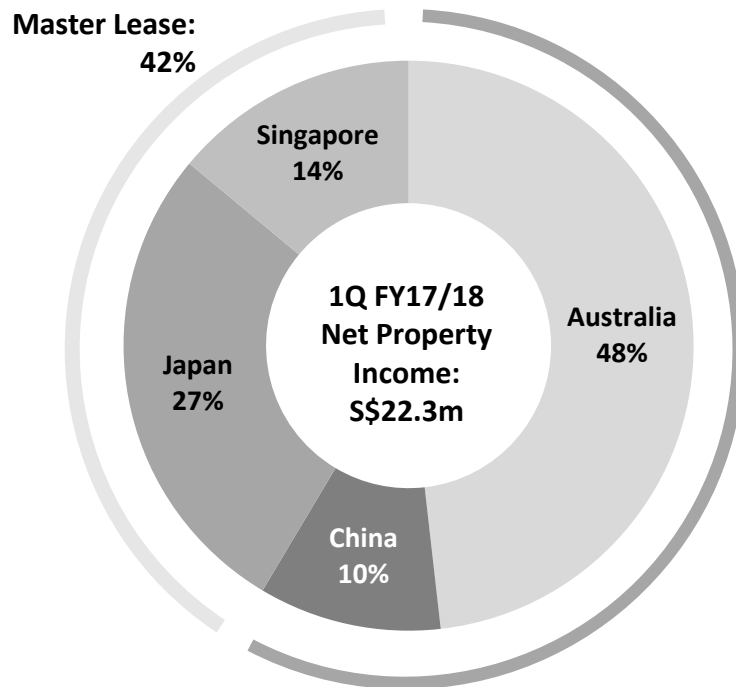
Net Property Income



Good mix of income from different rent structure

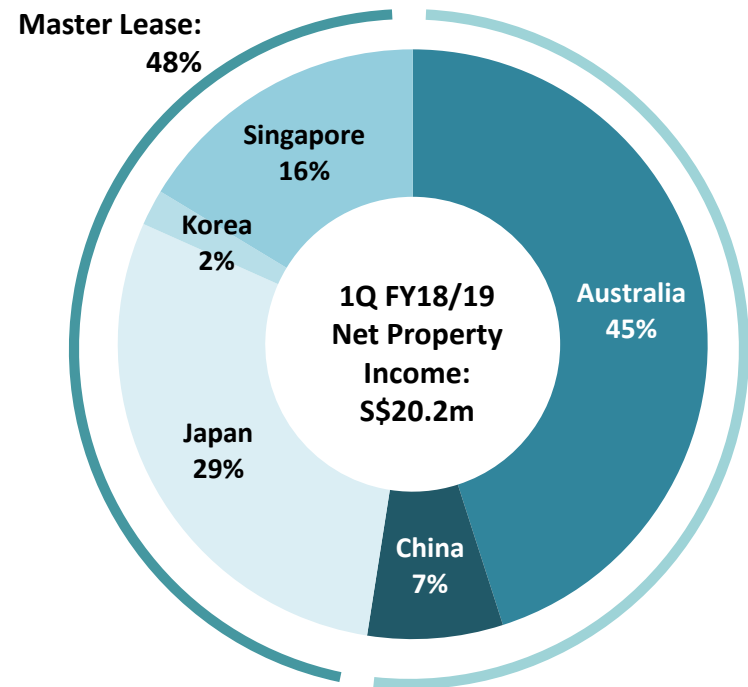
- ✦ Income stability improved as hotel in Korea (under master lease) started contributing, with China portfolio (under management contract) divested

1Q FY17/18 Net Property Income



Management Contract:
58%

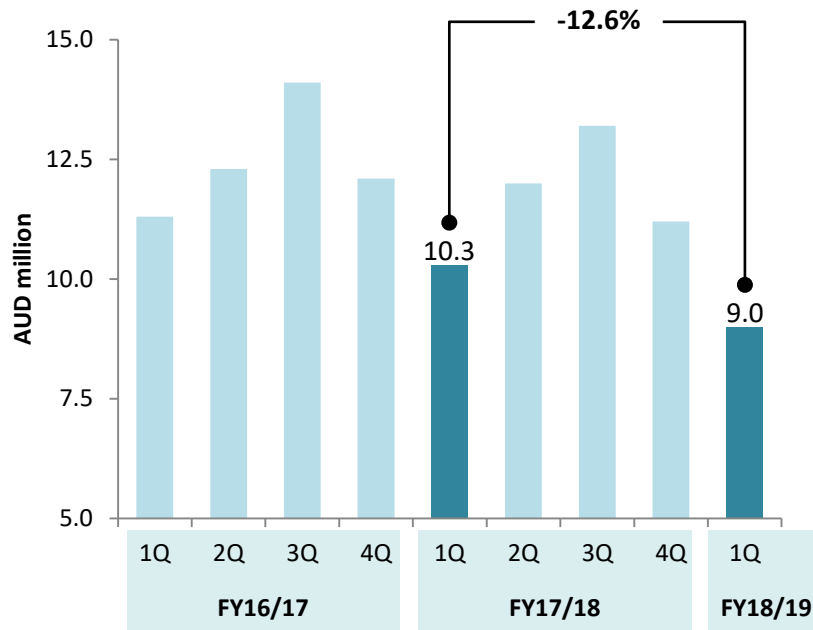
1Q FY18/19 Net Property Income



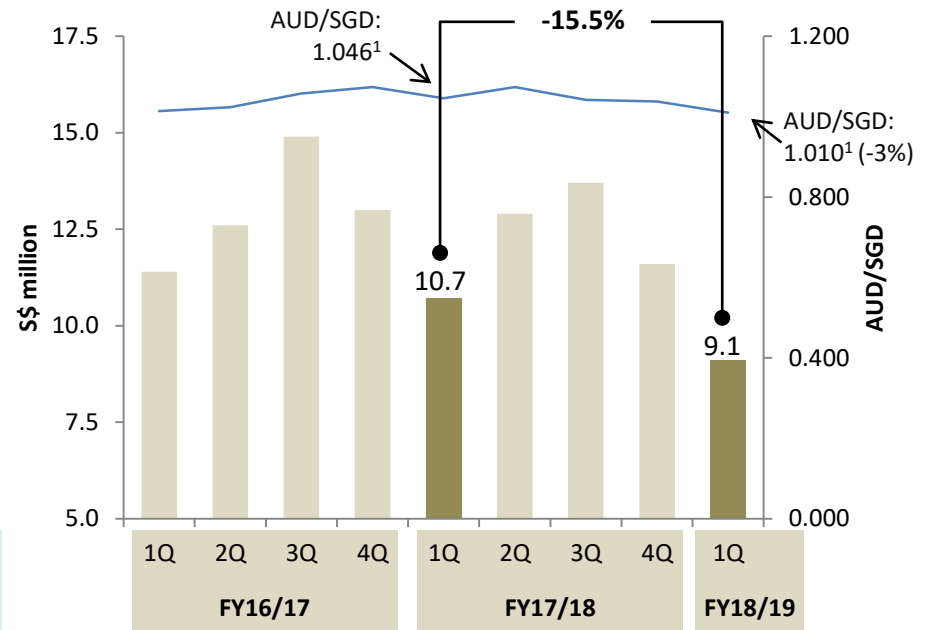
Management Contract:
52%

Weak quarter for Australia portfolio

Net Property Income in AUD



Net Property Income in S\$

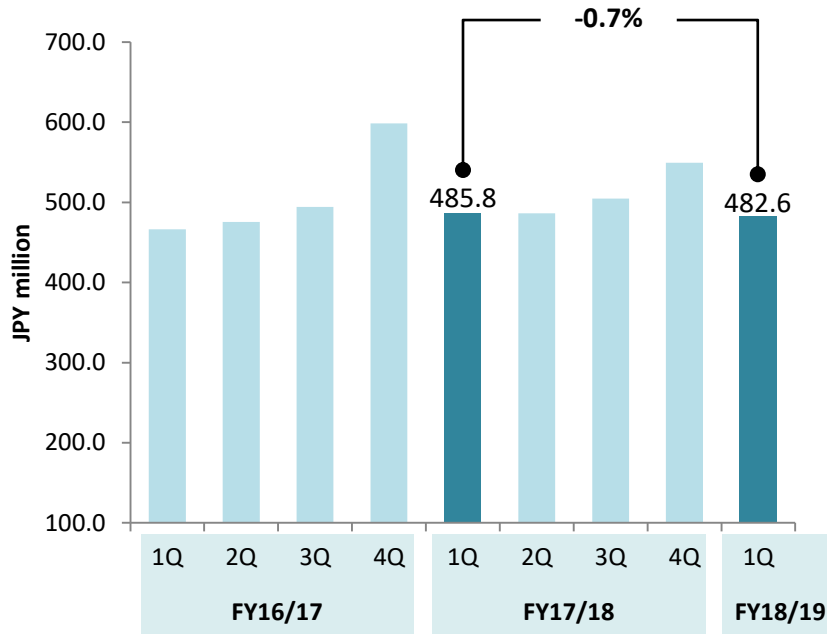


- Sydney hotels affected by weakness in market conditions, with the exception of Courtyard by Marriott Sydney-North Ryde which continued to improve following the major refurbishment in 2016.
- The hotel in Melbourne was affected by less conferences and events business in the city and higher land tax, while the Brisbane hotel continued to operate in a challenging market.
- Overall RevPAR for Australia portfolio in 1Q FY2018/19 declined by 3.5% y-o-y.

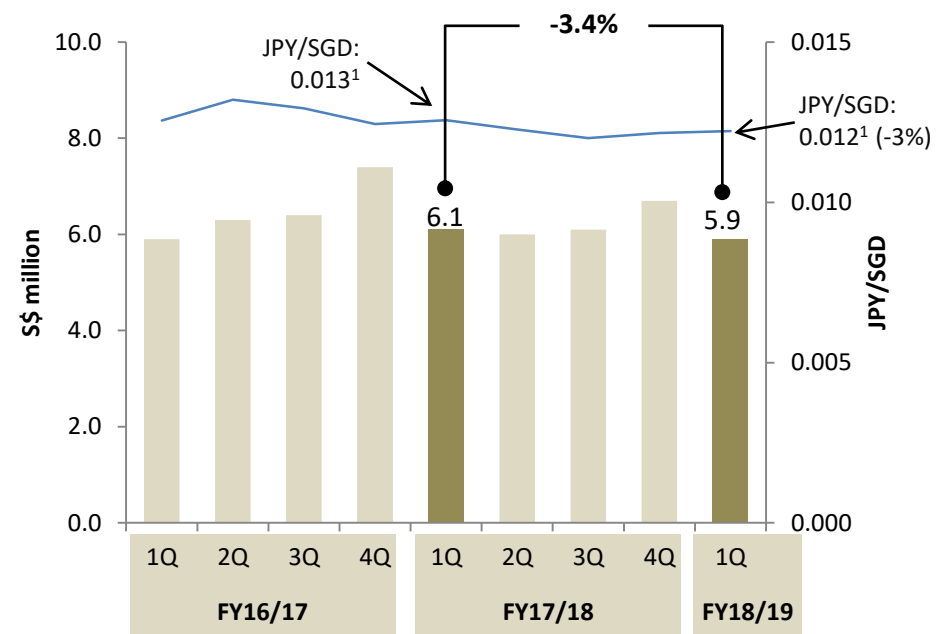
1. Based on average rate used for the respective quarter

Japan portfolio achieved stable performance

Net Property Income in JPY



Net Property Income in S\$

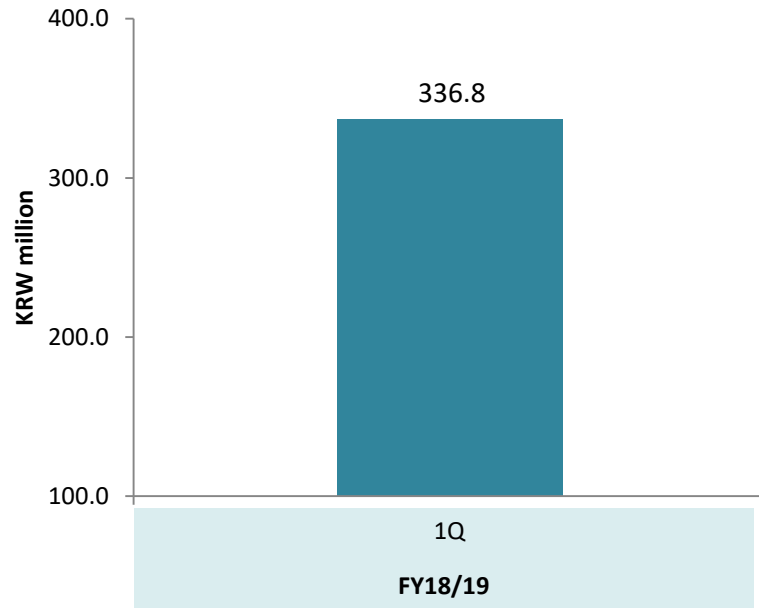


- The decline in NPI is mainly due to no variable rent this quarter as a result of change in rent structure from management contract to master lease with respect to serviced apartments in Hotel Sunroute Ariake. The variable rent, if any, for Hotel Sunroute Ariake, is payable in fourth quarter of the financial year.
- Overall RevPAR for Japan portfolio in 1Q FY2018/19 was relatively stable, posting a marginal decline of 0.3% y-o-y despite ongoing renovation at Hotel Sunroute Ariake, which was completed in July.

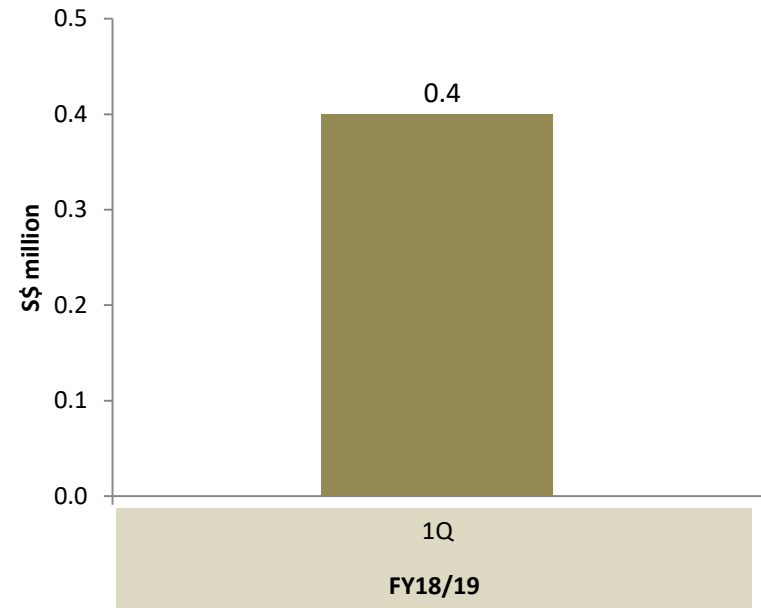
1. Based on average rate used for the respective quarter

Maiden contribution from Korea

Net Property Income in KRW

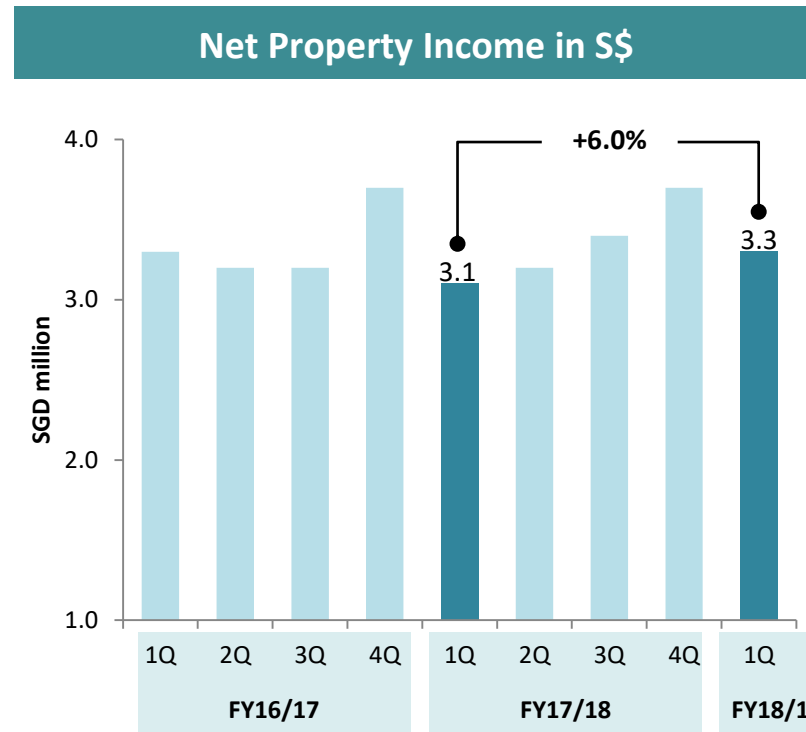


Net Property Income in S\$



- The acquisition of The Splaisir Seoul Dongdaemun (previously known as KY-Heritage Hotel Dongdaemun) was completed on 21 May 2018.
- With effect from 1 July 2018, the hotel is operated by Sotetsu International Korea Co., Ltd.
- The hotel posted strong RevPAR growth of 24.4% y-o-y in 1Q FY2018/19.

Improvement from Singapore hotel



- Park Hotel Clarke Quay posted improved performance, benefiting from the higher yielding transient segment and recovering corporate segment.
- RevPAR for the quarter improved by 4.4% y-o-y.

Recycle capital and continue to enhance portfolio



Novotel Beijing Sanyuan



Ibis Beijing Sanyuan

**Divestment of two
Beijing hotels**

**Divested for
3.6% NPI Yield¹**

**Acquisition of The
Splaisir Seoul
Dongdaemun and Osaka
Portfolio**

**Blended NPI Yield
in access of 4.0%**

**Leasehold expiry
2044**

**Freehold
Properties**

**Management
Contracts**

**Master Lease
Arrangements**

**10 years old
hotels**

**Average age of 1
year old**



**The Splaisir Seoul Dongdaemun
(previously known as KY-Heritage
Hotel Dongdaemun)**



Hotel WBF Kitasemba West

1. Based on the NPI of the two Beijing hotels for FY2017/18 and the sale price of RMB1,156.4 million.

3

Capital Management



Improved balance sheet

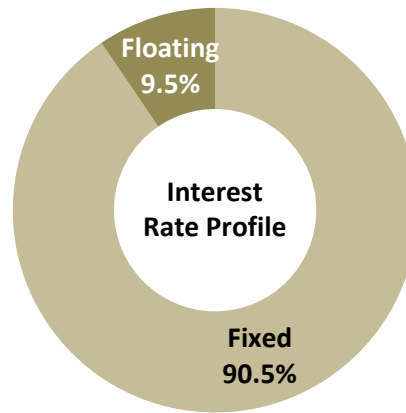
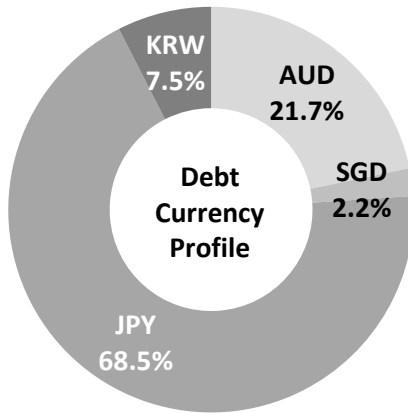
	As at 31 March 2018	As at 30 June 2018
Borrowings (S\$ m)	535.2	400.7
Total Assets (S\$ m)	1,739.3	1,694.5
A-HTRUST Gearing (%) ¹	30.8	23.7
- A-HREIT Gearing (%)	24.1	26.1
- A-HBT Gearing (%)	34.4	22.0
A-HTRUST Interest Cover (times) ²	5.1	5.3
- A-HREIT Interest Cover (times)	2.7	3.0
- A-HBT Interest Cover (times)	5.6	5.7
Weighted average interest rate (%)	2.6	2.4
Weighted average debt to maturity (years)	2.7	3.1
Net asset value per stapled security (S\$)	0.92	1.01

1. Computed based on total debt over total assets.

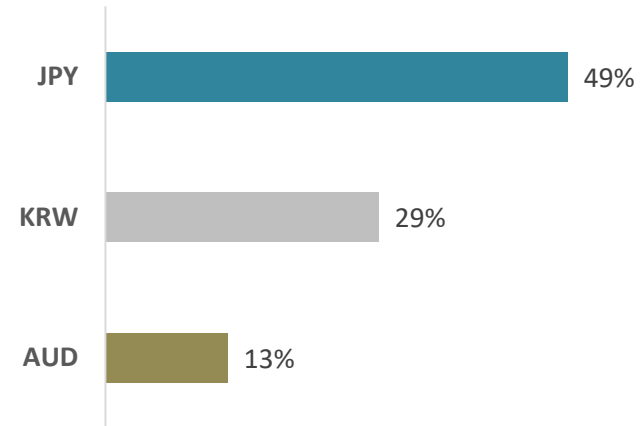
2. Computed based on earnings before interest, tax, depreciation and amortisation over interest expenses.

Balanced debt profile and prudent capital management

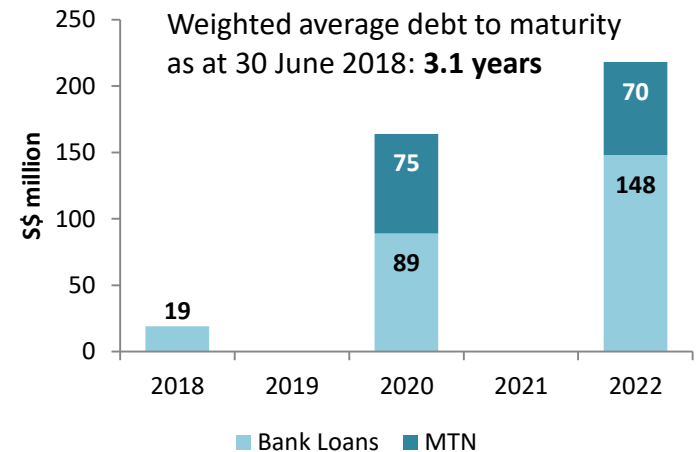
Debt Profile



Balance Sheet Hedging



Debt Maturity Profile



- AUD150 million of borrowings due in 2018 were repaid in 1Q FY2018/19, using the proceeds from the divestment of China portfolio
- As a result, proportion of borrowings in AUD is reduced

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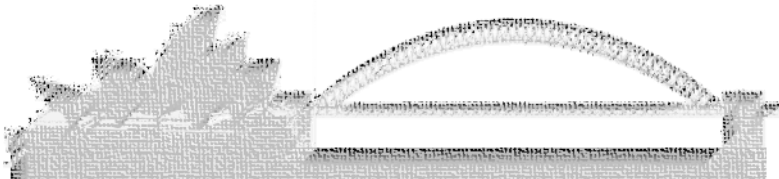
Looking Ahead



Australia



- The market condition in Sydney is expected to remain competitive. While demand is expected to remain healthy in the near term, increase in hotel rooms inventory in the city may moderate growth.
- As Melbourne is faced with more supply of hotel rooms in the next 12 months and competes for C&E business with Sydney, the performance of the hotel market is expected to be moderate in the short term.
- In the coming year, the increasingly competitive environment in Brisbane will continue to exert pressure on the performance of the hotel market.



Japan



- Inbound arrivals to Japan recorded a y-o-y increase of 15.6% for YTD June 2018¹.
- As international inbound arrivals to Tokyo and Osaka continue to grow, this is expected to support the hotel markets in these cities.
- However, the recent earthquake in Osaka and the adverse weather that affected certain parts of Japan may dampen travel sentiments into the country temporarily.
- On the supply front, stricter laws recently implemented on private home rentals are likely to lessen their adverse impact on the hotel market in Japan.

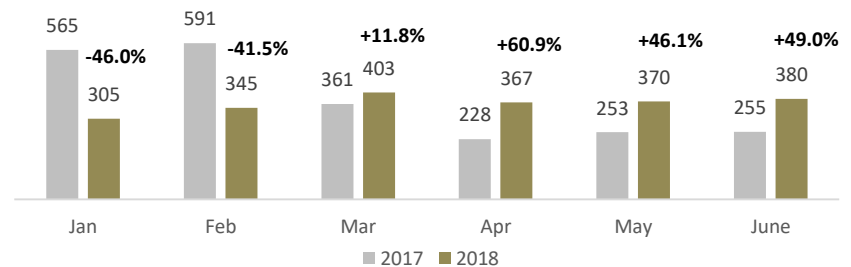
1. Source: Japan National Tourism Organization

South Korea



- Inbound arrivals to South Korea continue to improve and posted y-o-y growth of 6.9% for YTD June 2018¹.
- This will help to lift the performance of the hotel market which endured a challenging year in 2017.
- Inbound arrivals from the key source market of China recorded a fourth consecutive month of y-o-y growth in June 2018, while effective marketing efforts saw strong growth in visitorship from South East Asian countries such as Malaysia, Thailand and Vietnam¹.

Visitors from China to South Korea ('000)¹



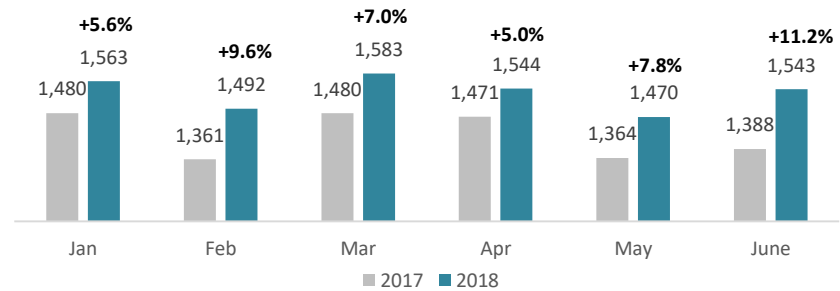
1. Source: Korea Tourism Organization

Singapore

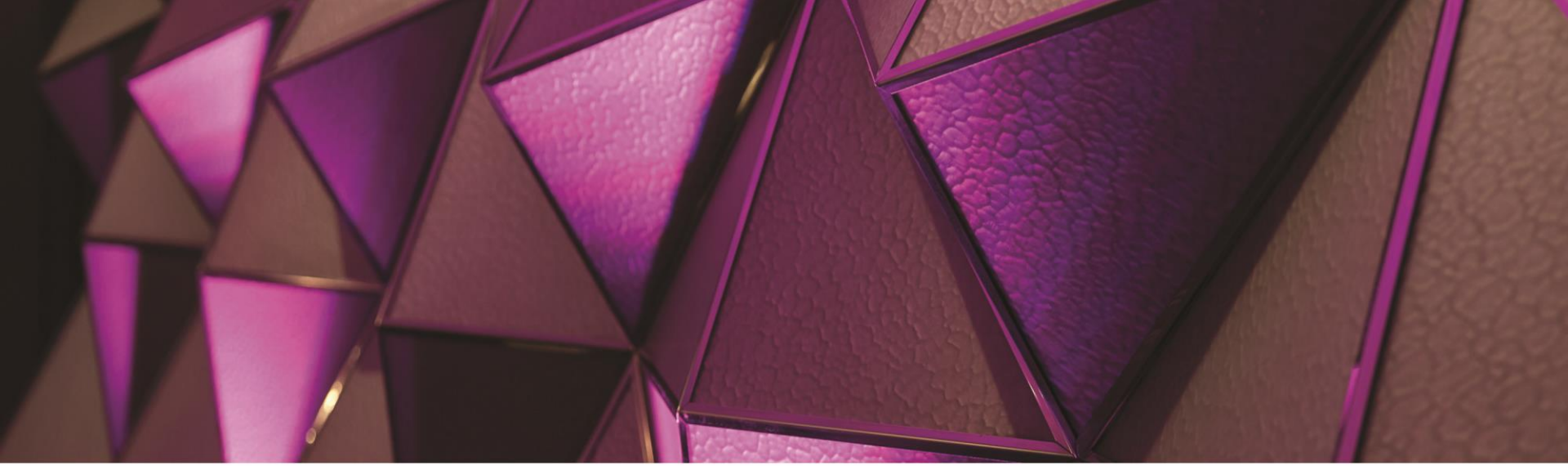


- The number of international visitors to Singapore kept up the momentum following a record year last year and posted y-o-y growth of 7.6% YTD June 2018¹.
- As supply of new hotel rooms begin to taper, the performance of the hotel market in Singapore is expected to recover.

International arrivals to Singapore ('000)¹



1. Source: Singapore Tourism Board



**Ascendas Hospitality Fund Management Pte. Ltd.
Ascendas Hospitality Trust Management Pte. Ltd.**

Managers of A-HTRUST

**1 Fusionopolis Place, #10-10
Galaxis, Singapore 138522**

Tel: +65 6774-1033

Email: info-aht@ascendas.com

www.a-htrust.com