


ASCOTT
RESIDENCE TRUST
A Member of CapitaLand

# Ascott Residence Trust

## UBS Global Real Estate CEO/CFO Virtual Conference 2020

2 December 2020

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# Content

- Overview of Ascott Residence Trust
- COVID-19 Situational Update
- 3Q 2020 Business Updates:
  - Overview
  - Key Market Performance
- Pivoting to the New Norm
- The View Ahead

# Overview of Ascott Residence Trust


Novotel Sydney Central

# A Leading Global Hospitality Trust

## Constituent of FTSE EPRA Nareit Global Developed Index

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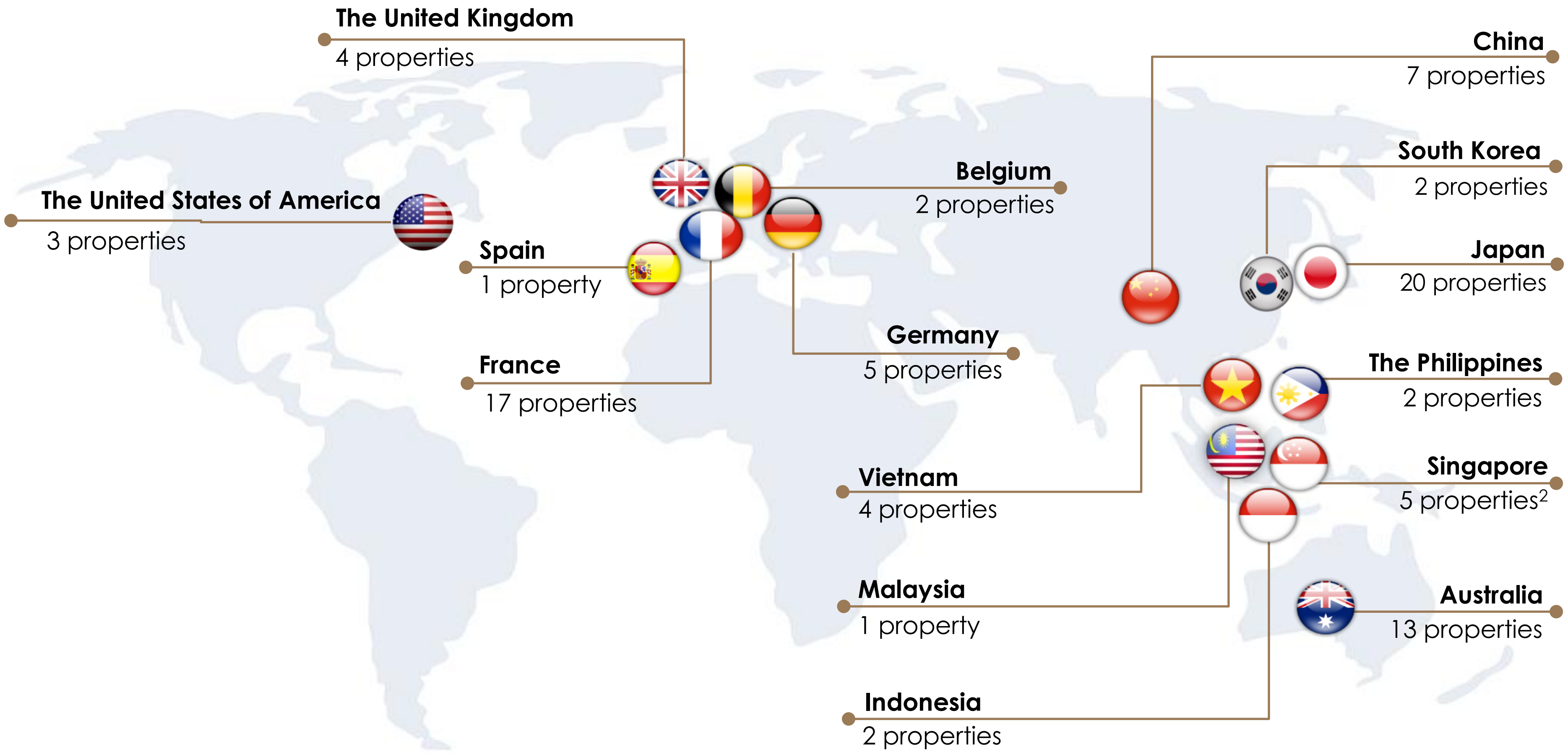
**S$7.6b[1]**
Total Assets

**>16,000[2]**
Units

**88[2]**
Properties

**39**
Cities in 15 countries




Notes:
1. *As at 30 June 2020*
2. *Including lyf one-north Singapore and Somerset Liang Court Singapore (currently under development)*

# Strong Sponsor – The Ascott Limited

One of the leading international lodging owner-operators

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**c.118,000**
**Serviced residence & hotel units**
Includes units under development

**>760**
**Properties**

**>190**
**Cities**

**>30**
**Countries**

**>30 years track record**

**Strong alignment of interests**
**c.40% sponsor stake[1] in ART**

**Award-winning brands**
**with worldwide recognition**

ASCOTT THE RESIDENCE | citadines APART'HOTEL | citadines CONNECT | SOMERSET SERVICED RESIDENCE | QUEST APARTMENT HOTELS | The Crest Collection | lyf

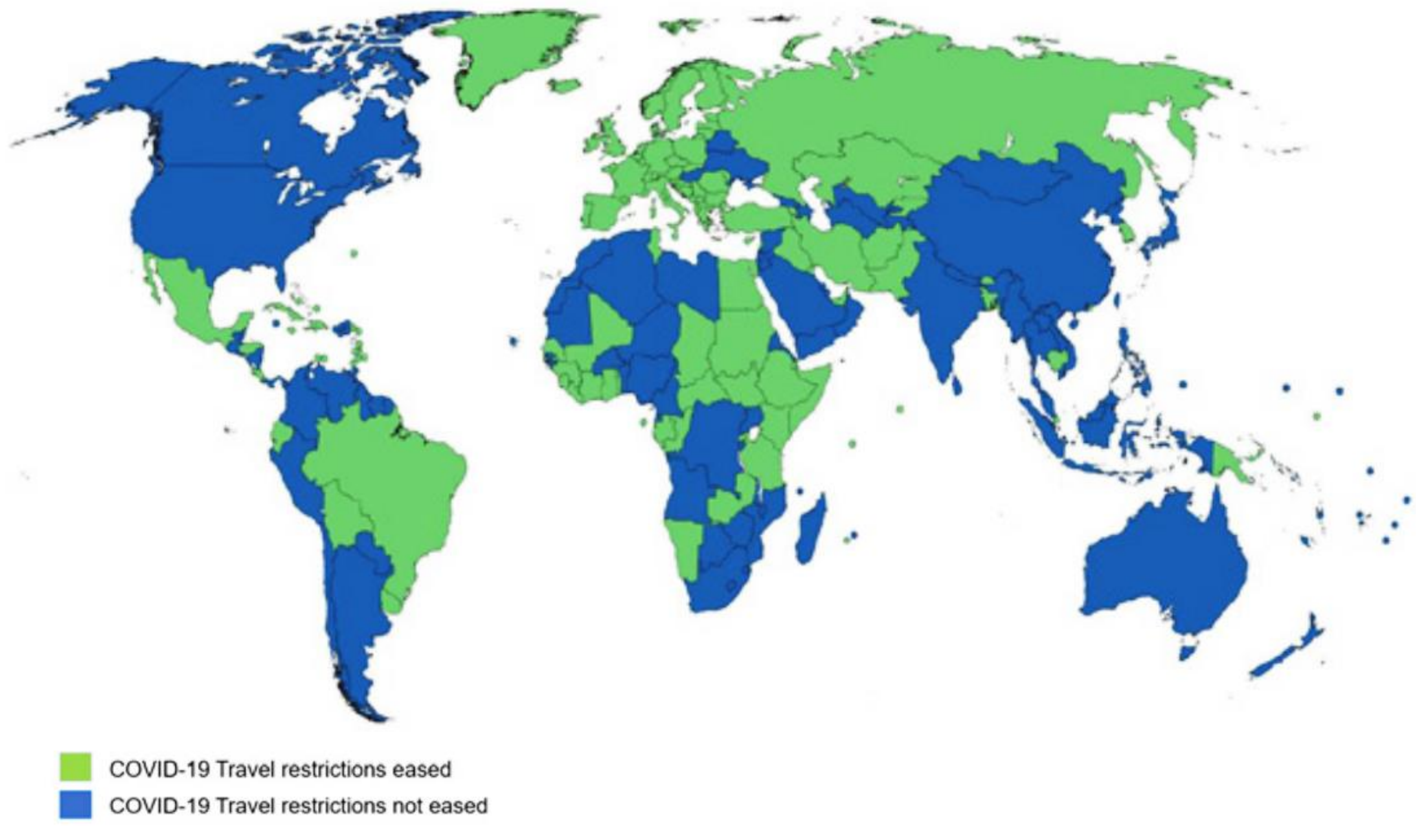

*Notes: Figures updated as at October 2020*
*1. Held through CapitaLand Group*

# COVID-19 Situational Update


Citadines Tour Eiffel Paris, France

# Reopening Borders

## While many countries continue to ease travel restrictions, international borders remain largely closed




*Source: UNWTO, September 2020*

**43%**

**Destinations with borders completely closed for tourism**

**53%**

**Destinations have eased restrictions on international tourism**

- >80% of Europe eased
- Up from 44% in July 2020

**c.70%**

**Expected decline in international arrivals for 2020**

*Sources:*
*UNWTO, "COVID-19 related travel restrictions, a global review for tourism", 10 September 2020*
*UNWTO, "World Tourism Barometer", October 2020*

# Recovery Led by Domestic Travel in 3Q 2020…

## Demand for domestic travel cushioned impact of COVID-19

### Global Domestic Travel

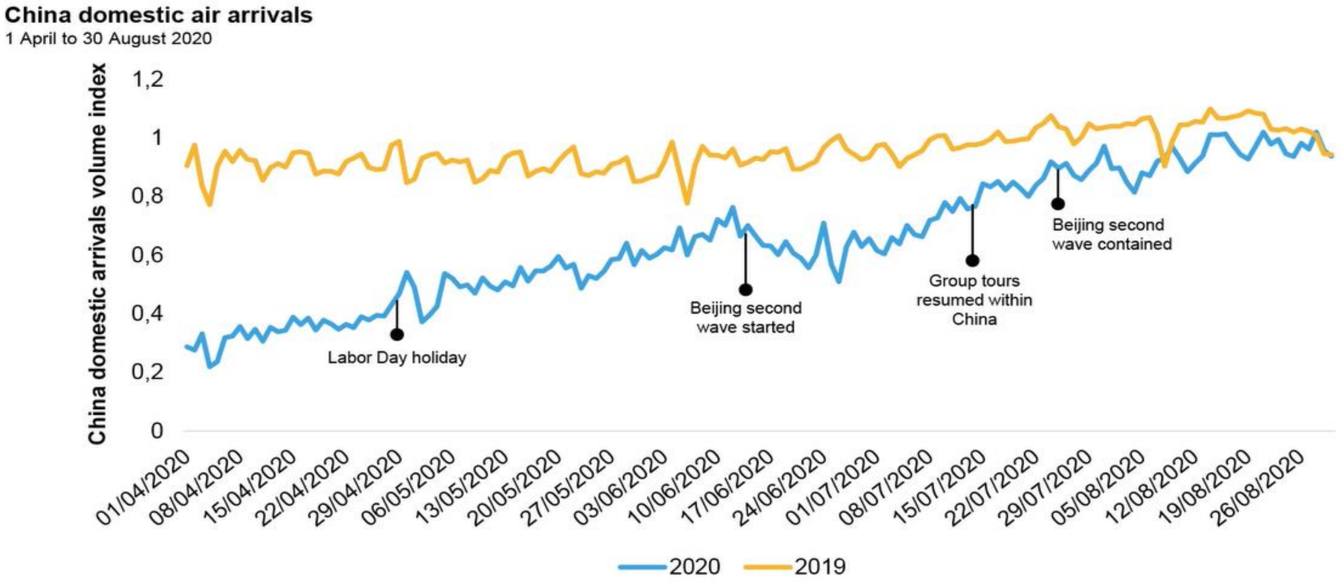
*(based on 2018 statistics)*

**9 billion**
**trips recorded**

**6x larger**
**than international travel**

**75%**
**of travel expenditure in OECD countries**

### Domestic air travel in China made full recovery




*Source: Forward Keys*

**Other largest domestic travel markets include…**
**France, Japan, USA, Spain, India and Brazil**

*Sources:*
*UNWTO, "Briefing Note – Tourism and COVID-19, Issue 3: Understanding Domestic Tourism and Seizing its Opportunities", September 2020*
*Forward Keys, Domestic China Travel Webinar, 17 September 2020*

# …but Set Back by Virus Resurgence in Recent Weeks

## Reopening put on pause in Europe

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### China and Asia Pacific occupancies continue to be stable

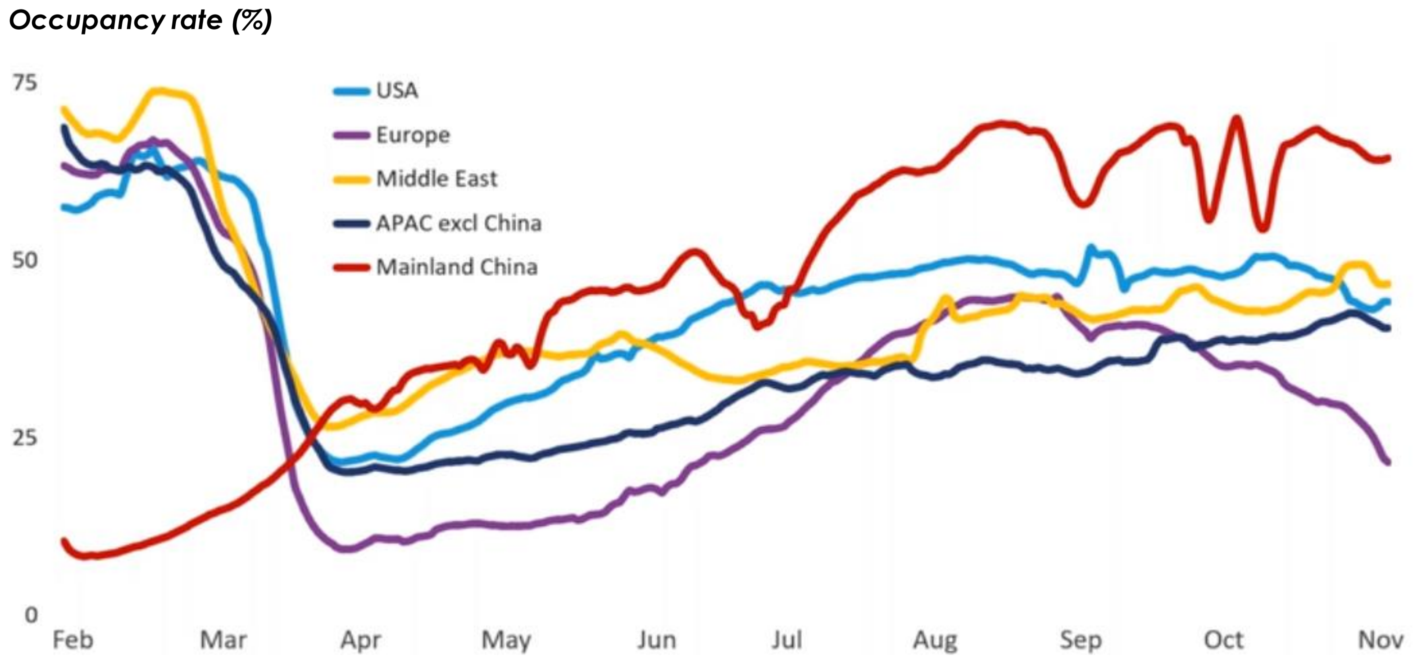
**66%** occupancy[1]
**China leading the performance across regions**

### Fewer hotel closures expected during Europe's second lockdown

**10%-20%**
**Hotels expected to be closed in France[2]**, compared to 80% during the first lockdown

### Dip in USA occupancy from October 2020

**c.40%** occupancy[3]
in the week ending 14 November 2020




Source: STR[2]

Notes:
1. STR statistics as at 1 November 2020
2. STR statistics as at 5 November 2020
3. STR, U.S. hotel results for week ending 14 November 2020

# Road to Recovery

## Desire to travel remains strong, promise of vaccine brings renewed hope

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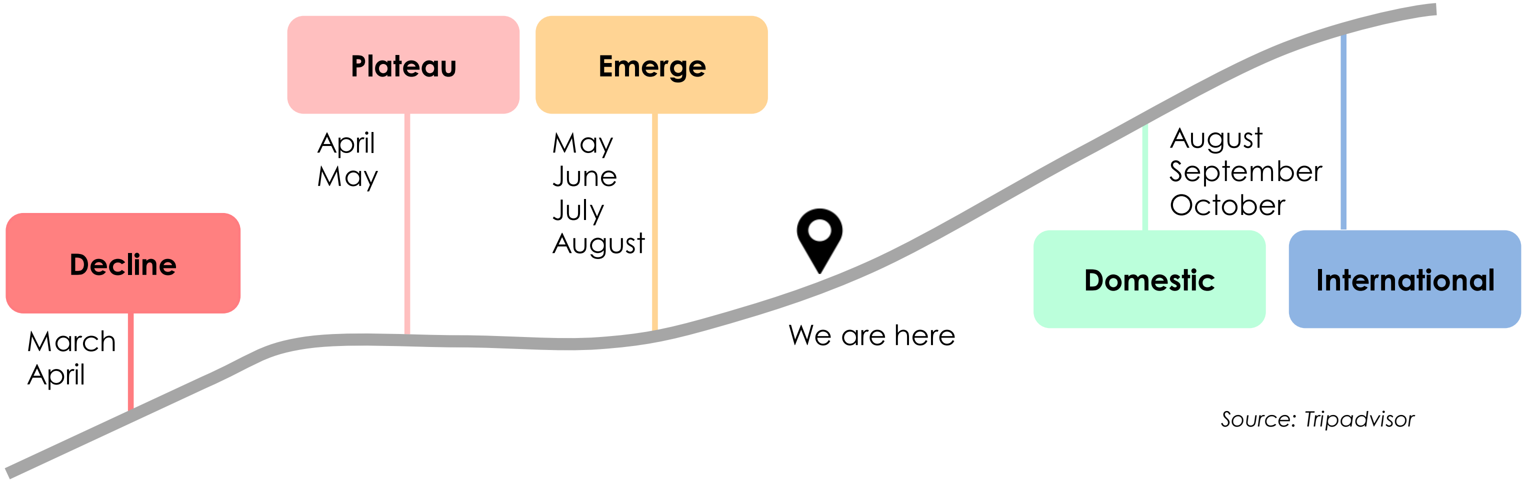
**The 5 stages to recovery**




*Source: Tripadvisor*

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### Confidence in traveling domestically more buoyant

**65%**

of respondents **expecting to travel domestically within the next 6 months** *(Tripadvisor)*

### Despite continued uncertainty, desire to travel remains very strong

**48%**

of respondents from the U.S. **more confident to travel in the next 3 months**, versus 3 months ago *(Tripadvisor)*

### To move from Domestic to International stage of recovery, a vaccine needs to be widely available

**48%**

**week-on-week increase in travel searches** after Pfizer said that a vaccine it was developing with BioNTech was more than 90% effective *(Skyscanner[1])*

*Notes:*
*Source: Tripadvisor (in partnership with Phocuswright), "A Year in Travel, Charting the Travel Industry's Path to Recovery", November 2020*
*1. Fortune.com, "Airlines saw an immediate boost in passenger bookings following vaccine announcements", 17 November 2020*

# Evolving Hospitality Landscape

Meeting customer demands and navigating the new normal

## Shift in customer needs

- Prioritising cleanliness & hygiene
- Flexible bookings
- Fewer groups, more self-guided trips
- Road trips and staycations

## Hospitality 2.0 in a post-COVID-19 era

- New uses of space
- Digital acceleration
- Agility in revenue management
- Leaner cost and operating structures

# 3Q 2020
# Business Updates:
# Overview

Sotetsu Grand Fresa Tokyo-Bay Ariake

# Gradual Pick Up in Recovery

## Quarter-on-quarter recovery in portfolio RevPAU, long stays offer resilience

- **3Q 2020 portfolio revenue per available unit[1] (RevPAU) fell 70% year-on-year to S$47, but increased 27% from previous quarter**
    - 93% of properties operational[2], with more properties reopened as market conditions stabilised; 6 remain closed[3]
- **3Q 2020 average portfolio occupancy[1] of c.40%, a steady increase from c.30% in 2Q 2020**
    - Countries with long stays continued to be resilient, performing above market, while those traditionally dependent on transient travellers pursued alternative sources of business
- **Domestic demand supported recovery in large domestic markets such as China**
- **Portfolio continued to generate positive gross profit and cashflow**

## Working closely with lessees and operators

- **Master Leases and Management Contracts with Minimum Guaranteed Income cushioned impact of COVID-19**
- **Mandated rent abatement extended to qualifying lessees; other rent negotiations still ongoing**
- **Leveraged operational excellence of Sponsor and operators to pivot to the new norm**
    - Enhanced product offerings and introduced new initiatives to meet evolving needs of guests
    - Reviewed cost structure and accelerated digitalisation

*Notes:*
*1. Portfolio RevPAU and occupancy refer to the average revenue per available unit and occupancy of properties under management contracts and management contracts with minimum guaranteed income*
*2. Based on number of operating properties as at 29 October 2020*
*3. Comprising 2 properties in Japan, 1 each in Belgium, France, South Korea and USA*

# Strong Financial and Cashflow Positions

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## Sufficient liquidity to cover more than 2 years' fixed costs under worst-case, zero-income scenario

- **Proactive and prudent capital management**
  - Successfully refinanced debt due in 2020 and extended debt maturity profile
  - Proceeds from divestment of partial gross floor area of Somerset Liang Court Singapore used to pare down debt; foreign exchange gain recognised
  - Covenant waivers obtained, lenders remain supportive
- **Lower effective borrowing cost of 1.8% p.a.**
- **Gearing remains low at 34.6%, with debt headroom of S$2.2 billion[1]**
- **Strong cashflow position**

**More than S$1 billion of available funding**

| c.S$305 million | + | c.S$550 million | + | c.S$180 million |
|---|---|---|---|---|
| Cash on hand[2] | | Credit facilities[3] | | Net divestment proceeds to be received[4] |

*Notes:*
*Figures as at 30 September 2020, unless otherwise stated*
1. *Refers to the amount of additional debt before reaching aggregate leverage of 50%*
2. *Includes approximately S$40 million in deposits received from ongoing divestments*
3. *Includes committed credit facilities amounting to approximately S$136 million*
4. *Refers to the outstanding proceeds from the ongoing divestments of Ascott Guangzhou, Citadines Didot Montparnasse Paris, Citadines Xinghai Suzhou and Citadines Zhuankou Wuhan*

# 3Q 2020 Business Updates: Key Market Performance


Citadines Barbican London, United Kingdom

# Australia

## Absence of traditional demand mitigated by alternative business


**Lockdown measures reintroduced in Victoria state in July 2020 and lifted for Melbourne on 28 October 2020**

**International borders generally closed to non-residents**

**Selected interstate travelling permitted; movement limits for Melbourne may be lifted in November 2020 if cases remain low**

**14%** of total assets: **4** Master Leases; **9** Management Contracts

- **3Q 2020 RevPAU decreased 63% to AUD 47**[1] mainly due to softer performance of the hotels as most state borders remained closed
- **Absence of traditional demand mitigated by block bookings** from Australia's government, military and healthcare workers at some properties
- **Outlook uncertain** as domestic and international borders could remain closed until December 2020 and late 2021 respectively[2]
- **Block bookings** expected to continue into 4Q 2020, **cushioning the impact**
- Near-term demand expected to come from **intrastate leisure segment**; corporate demand remains muted
- Australia's tourism campaign expected to benefit **regional areas** more than capital cities
- **Rental waiver provided to master lessees** in compliance with Australia's mandatory code of conduct

*Notes: Updates on travel and movement restrictions above as at 29 October 2020*
1. *Pertains to the properties under management contracts only*
2. *Source: News.com.au*

# China

## Recovery on track with long stays and healthy domestic demand

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*Somerset Xu Hui Shanghai*

**No movement restrictions but localised lockdowns may be imposed on areas experiencing second wave**

**International borders remain closed except for green lane arrangements**

**Domestic travel permitted**

**8%** of total assets: **7** Management Contracts

- **3Q 2020 RevPAU decreased 30% to RMB 321**, a sequential recovery from preceding quarters, with stronger performance in first-tier cities
- **Above-market portfolio occupancy of 60% in 3Q 2020** due to long stays and domestic demand
- While the recovery in international and expatriate demand remains soft, **domestic corporate and industrial activities have resumed and expected to pick up pace**
- **Healthy enquiries for long stays** and **strong demand for leisure travel** on weekends and holidays
- **Recovery momentum expected to continue** with COVID-19 situation under control
- **Average daily rate growth expected to be limited** in the near-term due to market competition particularly in the midscale lodging segment
- **Divestment** of Citadines Xinghai Suzhou and Citadines Zhuankou Wuhan **expected to complete in 2021**
- **Divestment of Ascott Guangzhou on track** to complete by 1Q 2021; c.RMB 120 million in proceeds collected so far

*Note: Updates on travel and movement restrictions above as at 29 October 2020*

# France

## Situation fragile with imposition of lockdown measures


*Citadines Montmartre Paris*

**Month-long lockdown introduced from 29 October 2020; restrictions to be reassessed fortnightly**

**International borders reopened to countries outside Schengen Zone from July 2020**

**Travel between French regions banned**

**8%** of total assets: **17** Master Leases

- **11 of the 12 properties** temporarily closed in 1H 2020 **have reopened**; remaining property expected to reopen in 4Q 2020
- **Domestic leisure demand peaked in August** during the summer holiday season; ART's regional France properties registered healthy occupancies of >80%
- While leisure demand was less robust in Paris, ART's properties **secured extended-stay bookings** from **student and arts and cultural groups**
- **Situation fragile** with recent spike in COVID-19 caseloads and tightened measures
- Master leases expiring in December 2020[1] currently under review
- In March 2020, 4 expired French master leases were extended on variable rent terms for a year. Occupancy rates of these properties[2] **increased steadily in recent months**
- **Divestment of Citadines Didot Montparnasse Paris on track** to complete by 1Q 2021

*Notes: Updates on travel and movement restrictions above as at 29 October 2020*

1. *More details on expiring master leases on slide 24.*
2. *The 4 properties are Citadines Castellane Marseille, Citadines Austerlitz Paris, Citadines République Paris and Citadines Maine Montparnasse Paris*

# Japan

## Operating environment remains challenging with limited market demand

Citadines Shinjuku Tokyo

**State of emergency lifted since May 2020**

**Selective travel permitted under travel bubble and travel corridor arrangements**

**All inter-prefectural travel restrictions lifted in June 2020; domestic travel encouraged**

**20%** of total assets: **5** Master Leases; **4** serviced residences under Management Contracts (MC) and **11** rental housing properties under MC

- **3Q 2020 RevPAU decreased 91% to JPY 1,068**[1] due to the absence of transient travel demand
- Fixed rent from **master leases** and resilient contribution from **rental housing properties** (high occupancies of >90%) mitigated weak performance of other properties under MC
- **4 of the 6 properties** temporarily closed in 1H 2020 **have reopened;** remaining 2 are properties operated by WBF Hotel & Resorts (WBF)
- Some **traction from Japan's 'Go To' domestic tourism campaign** and **demand for day use** at ART's properties
- **Operating environment continues to be challenging** as locals prefer visiting regional cities of Japan
- Update on WBF:
  - WBF, master lessee of 3 ART properties, filed for civil rehabilitation in April 2020
  - All 3 properties continue to be operated by WBF currently
  - Discussions on lease arrangements ongoing

Notes: *Updates on travel and movement restrictions above as at 29 October 2020*

1. *Pertains to the properties under management contracts only*

# Singapore

## Occupancies supported by government-contracted business

Ascott Orchard Singapore

**'Circuit Breaker' began in April 2020 and currently in Phase 2**

**International borders remain closed except for green lane arrangements**

**Hotels approved by Singapore Tourism Board can accept staycation bookings**

**16%** of total assets: **2** Master Leases; **2** Management Contracts[1]

- While block bookings by the government mitigated the absence of international travellers, **3Q 2020 RevPAU decreased 50% to S$85[2]** mainly due to lower room rates
- **Occupancies expected to remain elevated**, albeit at lower rates, with government contracted business
- Ascott Orchard Singapore, which currently serves guests on staycations, in addition to guests on long stays and self-isolation, could receive a **boost from Singapore's domestic tourism drive**
- Despite the formation of green lane arrangements and progressive easing of travel restrictions, **international travel demand is expected to take time to return**
- **Sale of partial gross floor area of Somerset Liang Court Singapore completed** on 15 July 2020 and project planning has commenced; redeveloped property expected to complete by 2025

*Notes: Updates on travel and movement restrictions above as at 29 October 2020*

1. *Comprises Citadines Mount Sophia Singapore and Somerset Liang Court Singapore which was divested in July 2020*
2. *Pertains to Citadines Mount Sophia Singapore only as Somerset Liang Court Singapore was divested and ceased revenue recognition in July 2020*

# United Kingdom

## Outlook uncertain with tightening restrictions

*Citadines South Kensington London*

**Three-tier system of lockdown reintroduced in October 2020; measures depend on level of transmission within the city**

**International borders open to countries under airbridge arrangements**

**Non-essential travel discouraged**

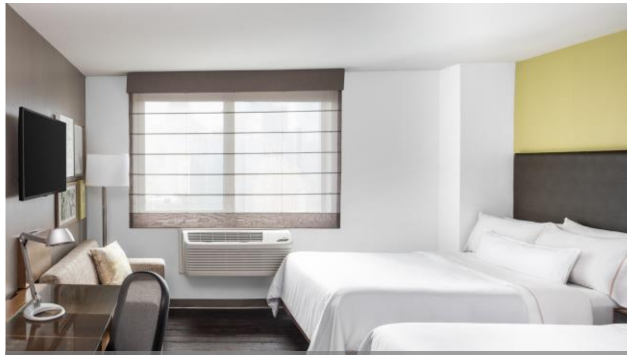
**7%** of total assets: **3** Management Contracts[1];
**1** Management Contract with Minimum Guaranteed Income (MCMGI)

- **3Q 2020 RevPAU decreased 89% to GBP 17** as the 4 properties, located in London, were more affected by an absence of international travel demand
- **Income top-up mitigated the drop** at Citadines South Kensington, under MCMGI arrangement
- **Gradual recovery in recent months** led by domestic leisure segment and supported by long stays
- **Bright spots** include student accommodation and residential leases, which have **longer length of stay**
- London currently in tier two (medium alert) lockdown and **pace of recovery could be dampened** on the back of tightened measures
- While airbridge arrangements have been established with several countries, **international demand remains muted** as COVID-19 caseloads continue to rise in the UK

*Notes: Updates on travel and movement restrictions above as at 29 October 2020*
*1. From 1 May 2020, 3 MCMGI, upon their expiry, were converted to management contracts for 1 year*

# United States

## Challenging market conditions to persist


*Element New York Times Square West*

**Most states have reopened but some have reintroduced curfews and restrictions as caseloads increase**

**Entry closed to travellers from certain countries**

**Domestic travel generally permitted but travellers from certain states subject to quarantine**

### 12% of total assets: 3 Management Contracts

- **3Q 2020 RevPAU decreased 78% to USD 47**
- **Temporary closure** of Element New York Times Square West in late August partially mitigated by **block booking of Hotel Central Times Square** (formerly known as DoubleTree by Hilton Hotel New York - Times Square South) from June 2020
- Current bookings mainly from **leisure segment and drive-to markets**, with spikes in demand on weekends
- **Demand from corporate segment muted** but could gradually pick up with the reopening of large headquarter offices in New York City
- New York City's Manhattan hotels **particularly challenged** with 58% of total market inventory closed as of early September 2020[1]
- **Economy and midscale hotels** expected to return to pre-pandemic levels the fastest due to **leaner cost structures**
- **Pace of recovery dependent on COVID-19 caseloads;** New York City market occupancy at 38% in August 2020[2]

*Notes: Updates on travel and movement restrictions above as at 29 October 2020*
1. *Source: Travel Weekly*
2. *Source: STR*

# Vietnam

## Long stays continue to provide resilience

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Somerset Ho Chi Minh City

Localised lockdown imposed in Danang from July to September 2020

International borders generally remain closed except to selected officials and skilled workers

Domestic travel permitted

**4%** of total assets: **4** Management Contracts

- **3Q 2020 RevPAU decreased 58% to VND 687,000**
- **Travel sentiment dampened** following second wave of outbreak in Danang
- **Corporate long stays** cushioned occupancies at the properties
- Other opportunities pursued included working with authorities and embassies to serve **diplomats** on self-isolation or long stays, as well **as experts and expatriates in search of long-stay accommodation**
- **Domestic leisure demand remains limited**, as travellers prefer resort destinations for staycations
- With further easing of travel restrictions and resumption of more international air routes, demand from foreign companies and expatriates may progressively improve
- Nonetheless, **operating environment expected to remain challenging** given reduction of corporate budgets and rate competition

*Notes: Updates on travel and movement restrictions above as at 29 October 2020*

# Pivoting to the New Norm


Citadines Connect Sydney Airport, Australia

# Seizing Opportunities in a Crisis

Reinventing to capture the upturn

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1. Leveraging Operational Excellence of Sponsor & Operators
2. Underpinned by Portfolio Strengths
3. Building a Stronger Portfolio

# 1 Leveraging Operational Excellence
## Commitment to hygiene and cleanliness



Our Commitment to Hygiene and Cleanliness

**In partnership with Bureau Veritas - Health, Safety and Hygiene experts will certify and audit the implementation of Ascott Cares' 9 commitments**, delivering a consistent and uniformed solution to Ascott's properties globally

### Green Serviced Residences – a Safer Choice

**Ascott Makati – first IFC EDGE certified green serviced residence in the world**

- Self-contained apartment units with fully-equipped kitchens
- Openable windows and balconies for fresh air and ventilation
- Individual, energy-efficient air-conditioning
- Safe cleaning and maintenance
- Less staff and crowding

1

# Leveraging Operational Excellence

## Working with Sponsor and operators to pivot and adapt

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### Actively pursued alternative sources of business


- Providing accommodation to those on self-isolation, healthcare personnel, workers looking for alternate work-from-home arrangements as well as those affected by border shutdowns

### New uses of space to meet evolving needs

- Optimising use of space and capitalising properties' adaptability and central locations
- E.g. Riding on the 'work-from-home' trend with Ascott's Work-in-Residence and Space-as-a-Service initiatives

### Reviewed operating cost structure & adopted digital technology

- Leveraging digital technology such as service robots, mobile apps and 3D virtual tours to reduce contact
- Comprehensive cost-containment measures and deferment of discretionary capital expenditure

# 2 Underpinned by Portfolio Strengths

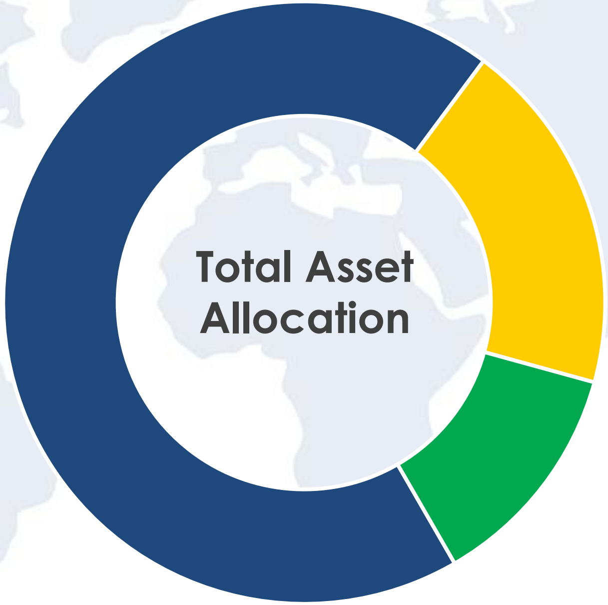
## Diversified portfolio with no concentration risk

**>16,000[1]**
Units

**88[1]**
Properties

**39**
Cities in 15 Countries

| Asia Pacific | 67.7% |
|---|---|
| **Australia** | **13.9%** |
| **China** | **7.8%** |
| Indonesia | 1.4% |
| **Japan** | **19.8%** |
| Malaysia | 0.6% |
| Philippines | 2.5% |
| **Singapore** | **15.6%** |
| South Korea | 2.6% |
| **Vietnam** | **3.5%** |




| Europe | 20.3% |
|---|---|
| Belgium | 1.0% |
| **France** | **7.6%** |
| Germany | 3.7% |
| Spain | 1.0% |
| **United Kingdom** | **7.0%** |

| The Americas | 12.0% |
|---|---|
| **USA** | **12.0%** |

*Notes:*
*Figures above as at 30 September 2020. Markets in bold are ART's 8 key markets*
*1. Including lyf one-north Singapore and Somerset Liang Court Singapore (currently under development)*

# 2 Underpinned by Portfolio Strengths

## Predominantly long-stay portfolio with mix of stable and growth income

**59** Serviced residences

**18** Hotels / Business hotels

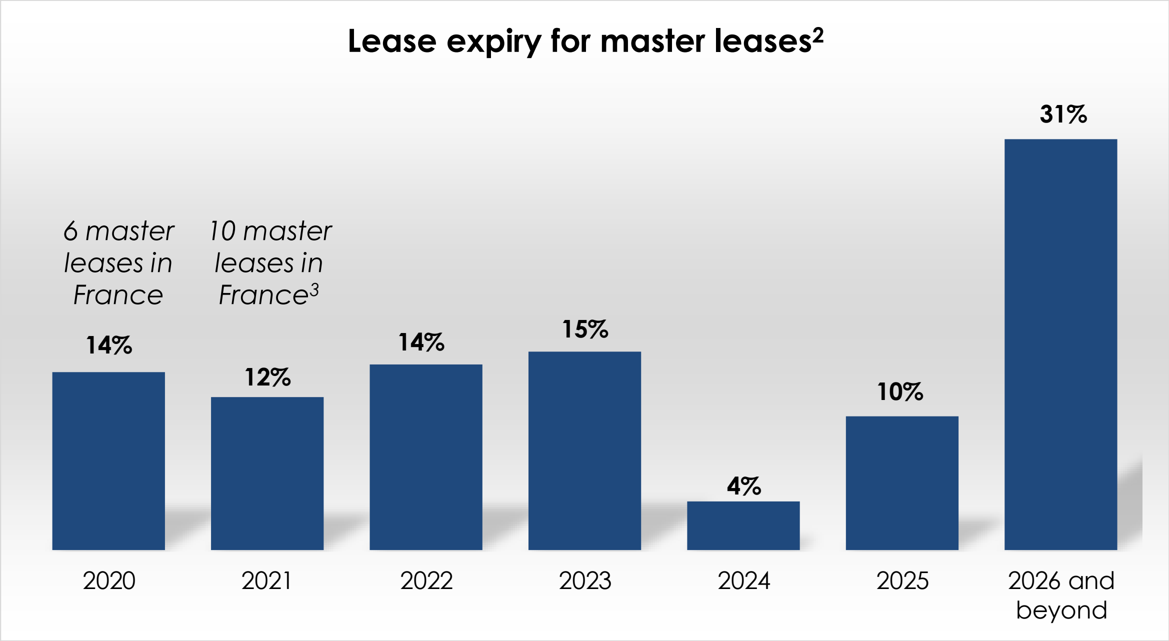
**11** Rental housing

**35** Master Leases

**4** MCMGI[1]

**47** Management Contracts

*Note: Excludes lyf one-north Singapore and Somerset Liang Court Singapore which are currently under development*




*Notes:*
*Above as at/for period ended 30 September 2020 unless otherwise stated*
1. *MCMGI refers to Management Contracts with Minimum Guaranteed Income*
2. *Percentage of gross rental income for master leases expiring during the respective periods over the total gross rental income for all master leases; excludes Citadines Didot Montparnasse Paris which is expected to be divested by 1Q 2021 and the 3 WBF properties as discussions on lease arrangements are ongoing*
3. *Comprises 4 French master leases which were extended on variable rent terms for 1 year with effect from 25 March 2020 and 6 French master leases expiring in September 2021*

# 2 Underpinned by Portfolio Strengths

## Strong financial capacity and healthy liquidity position

### Strong **capital management**

**S$1.24**
NAV per Unit

**49%**
Total assets in foreign currency hedged

**2.4% (gain)**
Impact of foreign exchange after hedges on gross profit for 9M 2020

### Robust **financing flexibility**

**34.6%**
Gearing
(c. S$2.2 billion debt headroom[1])

Interest cover
**2.9X**[2]

**1.8%**
**per annum**
Low effective borrowing cost

**69%**
of property value unencumbered

**BBB** **(Negative Outlook)**
Fitch Ratings

### Fortifying **liquidity reserves**

**c.S$1.0 bil**
Total available funds

=

**c.S$855 mil**
Available cash & credit facilities[3]

+

**c.S$180 mil**
Net divestment proceeds to be received[4]

*Notes:*
*Above as at/for period ended 30 September 2020.*
1. *Refers to the amount of additional debt before reaching aggregate leverage of 50%*
2. *Refers to the 12-month trailing interest cover*
3. *Balances as at 30 September 2020; includes committed credit facilities amounting to approximately S$136 million and deposits received from ongoing divestments of approximately S$40 million*
4. *Refers to the outstanding proceeds from the ongoing divestments of Ascott Guangzhou, Citadines Didot Montparnasse Paris, Citadines Xinghai Suzhou and Citadines Zhuankou Wuhan*

# Underpinned by Portfolio Strengths

2

## Well spread-out debt maturity profile

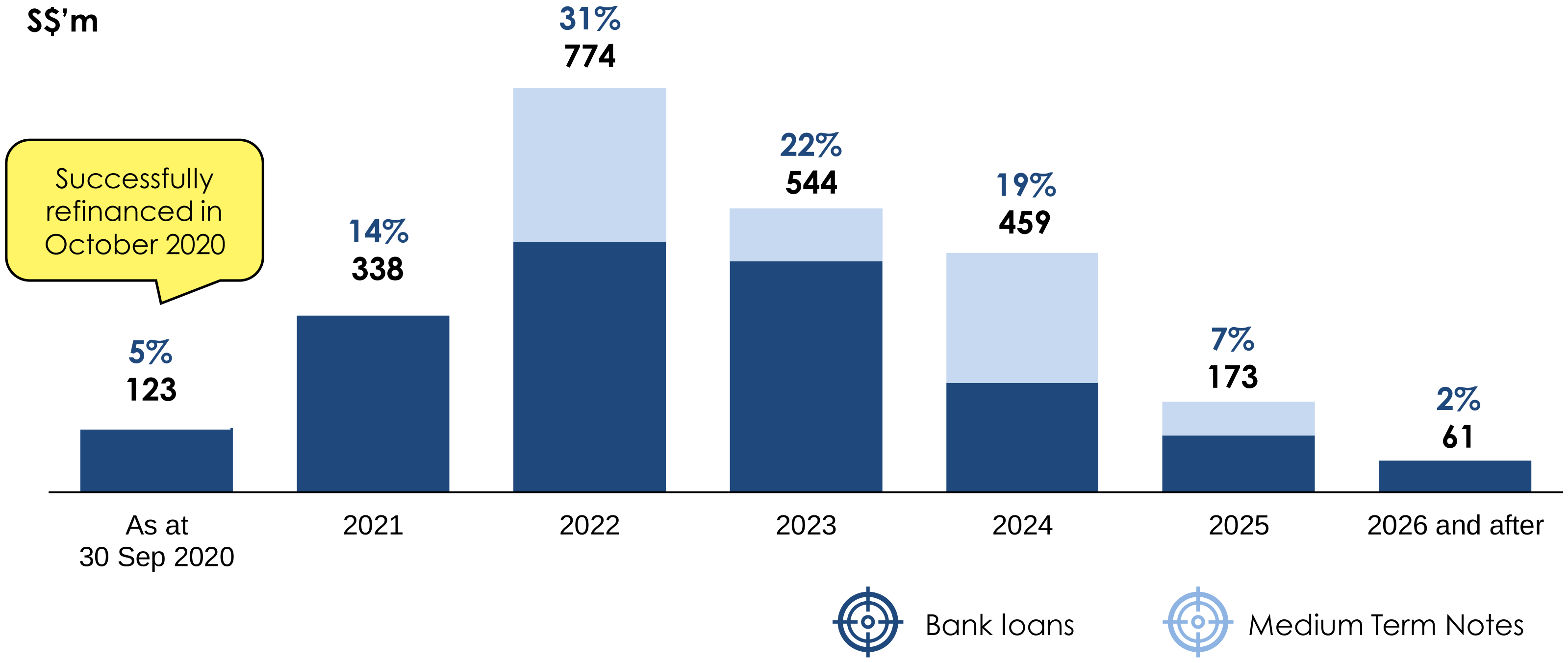
**70% : 30%**
*Bank loans : Medium Term Notes*

**5%**
*Total debt due in 4Q 2020*

**c.80%**
*Total debt on fixed rates*

**3.0 years**
*Weighted average debt to maturity*

## Managing liquidity risks through diversified funding sources




- Extended debt maturity profile with successful refinancing of c.S$330 million in debt this year
- Debt covenant waivers obtained
- Lenders remain supportive

*Note:*
*As at 30 September 2020*

# 3 Building a Stronger Portfolio

## Continuous efforts to enhance portfolio and create value

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### Unlocking value through opportunistic divestments

*Recent divestments include…*

**Citadines Didot Montparnasse Paris**

at 69% above property book value

Completion expected by 1Q 2021

**Ascott Guangzhou**

at 52% above property book value

Completion expected by 1Q 2021

### Rejuvenating the portfolio with development projects

**lyf one-north Singapore**

**Remains relevant in the post-COVID-19 world** with flexibly-designed social spaces, functional units with ensuite bathrooms and work spaces for guests to 'work-from-home' in comfort

Construction works resumed in August 2020; expected completion – 4Q 2021

**Somerset Liang Court Singapore**

**Brand new Somerset serviced residence** with refreshed lease in the vibrant Clarke Quay enclave

Project planning has commenced; expected completion of redevelopment - 2025

# The View Ahead


lyf one-north, Singapore (Artist's Impression)
Concept Design by WOHA

# The View Ahead

## Near-term headwinds remain but well-placed to ride the recovery

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### Varied pace of recovery across markets

- **Barring resurgence of the virus, gradual pick-up in occupancy expected**, but average daily rate growth remains limited
- Recovery continues to be driven by **domestic segment**
- Properties with **long stays and large domestic markets** expected to lead the recovery, while markets **in lockdown** or traditionally reliant on **transient business** expected to remain soft in 4Q 2020
- Negotiations with lessees ongoing and **further rental relief** may need to be extended
- **Property valuations expected to be impacted** on soft operating performance and outlook
- **Review distribution payout holistically**, taking into consideration market outlook and past divestment gains unlocked

### Seizing opportunities in a crisis

- **Leveraging operational expertise of Sponsor and operators** – proactively sourcing for alternative business, preparing for the upturn with future-ready offerings
- **Cost containment measures and digital acceleration**
- **Building a stronger portfolio and creating value** through opportunistic divestments and investment projects
- **Strong financial position and disciplined capital management**

With its **scale**, **diversification**, predominantly **extended-stay** portfolio and **strong financial capacity & flexibility**, ART is well-positioned to **tide over the downturn**




# Thank you

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