



CDL HOSPITALITY TRUSTS



Annual General Meetings FY 2018

29 April 2019

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Agenda

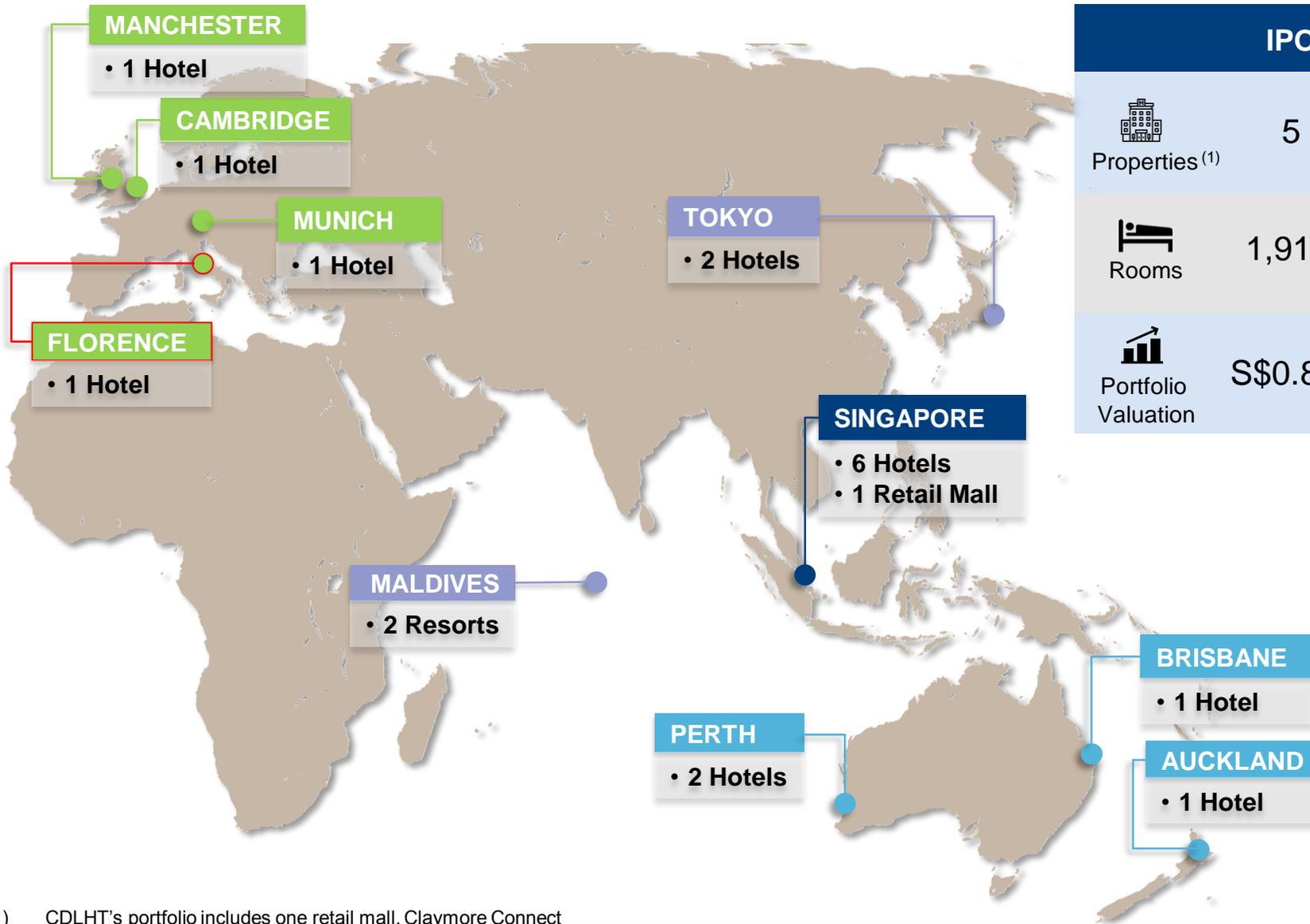


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Overview and Key Highlights



Leading Hospitality Trust with Quality Assets Across the World

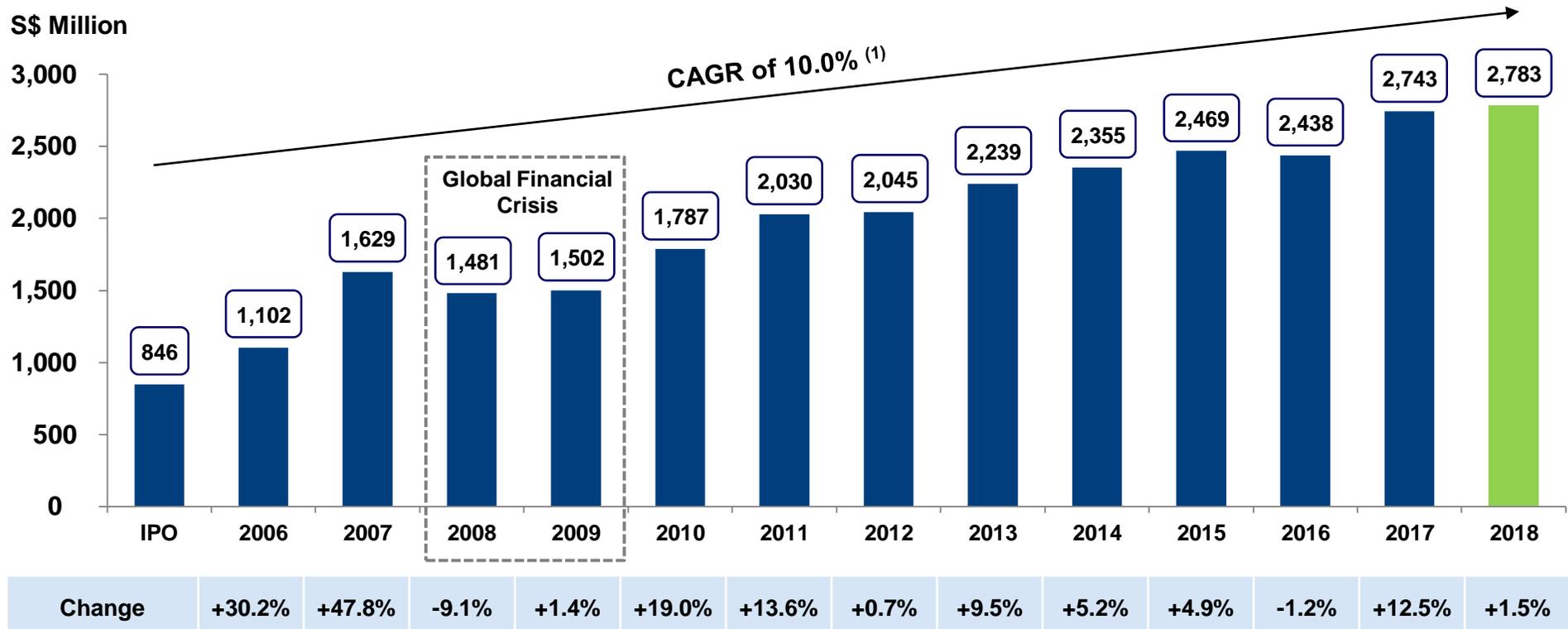


	IPO		31 Dec 2018
 Properties ⁽¹⁾	5	→	19
 Rooms	1,915	→	5,088
 Portfolio Valuation	S\$0.8B	→	S\$2.8B
			10% CAGR 229% Growth

(1) CDLHT's portfolio includes one retail mall, Claymore Connect

Expanding Our Asset Base Through Disciplined Allocation of Capital

- Portfolio value increased at a CAGR of 10% since IPO
- In FY 2018:
 - Portfolio value increased by S\$40 million
 - Acquisition of one Italy hotel and divestment of two Brisbane hotels

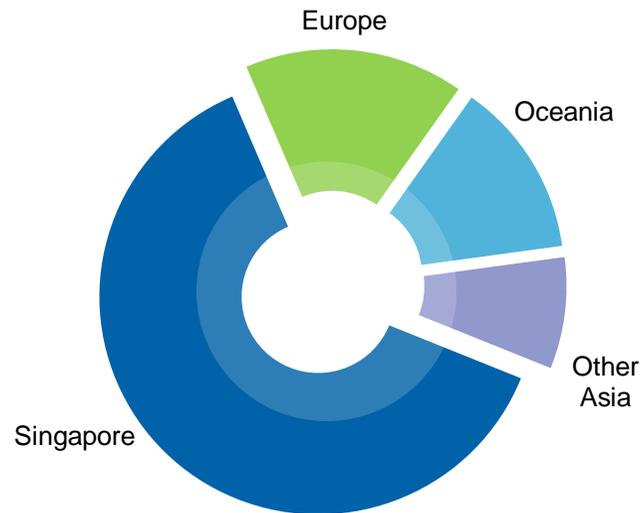


(1) CAGR from IPO to 31 Dec 2018

Portfolio Composition

Breakdown of Portfolio Valuation as at 31 December 2018 ⁽¹⁾⁽²⁾

Singapore	62.5%
Orchard Hotel	16.0%
Grand Copthorne Waterfront Hotel	12.8%
Novotel Singapore Clarke Quay	12.0%
M Hotel	8.5%
Studio M Hotel	5.5%
Copthorne King's Hotel	4.2%
Claymore Connect	3.4%
Europe	16.2%
United Kingdom	7.3%
Hilton Cambridge City Centre	4.0%
The Lowry Hotel (Manchester)	3.3%
Germany – Pullman Hotel Munich ⁽³⁾	6.5%
Italy – Hotel Cerretani Florence ⁽³⁾	2.5%



Portfolio Valuation S\$2.8 billion

Oceania	13.0%
New Zealand – Grand Millennium Auckland	7.7%
Australia	5.3%
Novotel Brisbane	2.5%
Mercure Perth	1.7%
Ibis Perth	1.1%
Other Asia	8.3%
Maldives	5.3%
Angsana Velavaru	2.8%
Raffles Maldives Meradhoo	2.5%
Japan	3.0%
MyStays Asakusabashi (Tokyo)	1.8%
MyStays Kamata (Tokyo)	1.2%

(1) Percentages may not add up due to rounding

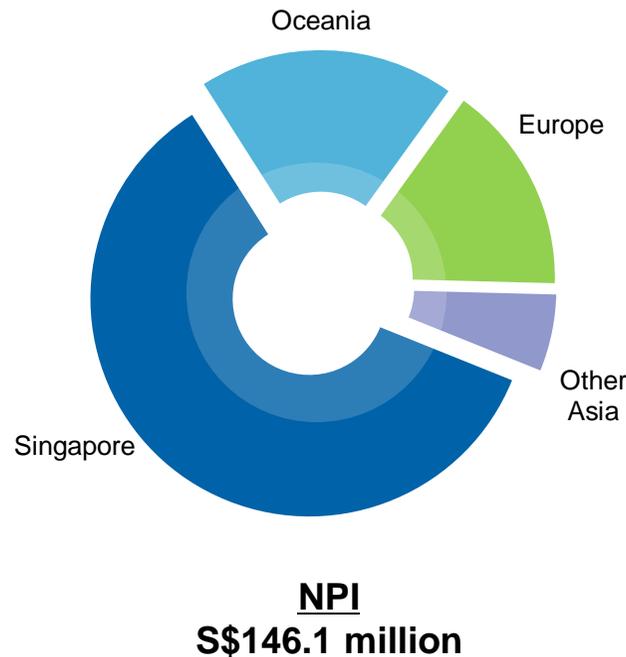
(2) All properties, excluding the Italy Hotel, were valued as at 31 Dec 2018. The Italy Hotel, which was acquired on 27 Nov 2018, was valued by HVS Global Hospitality Services as at 25 July 2018

(3) On the basis of a 100% interest before adjustment of non-controlling interests. CDLHT owns an effective interest of 94.5% and 95.0% in Pullman Hotel Munich and Hotel Cerretani Florence respectively

Portfolio Composition

Breakdown of Net Property Income (“NPI”) for FY 2018 ⁽¹⁾

Singapore	59.9%
Novotel Singapore Clarke Quay	14.4%
Orchard Hotel	12.7%
Grand Copthorne Waterfront Hotel	11.6%
M Hotel	8.5%
Studio M Hotel	4.7%
Copthorne King’s Hotel	4.3%
Claymore Connect	3.6%
Oceania	18.9%
New Zealand – Grand Millennium Auckland	12.2%
Australia	6.7%
Novotel Brisbane	3.4%
Mercure Perth	2.0%
Ibis Perth	1.3%
Mercure Brisbane & Ibis Brisbane ⁽²⁾	0.1%



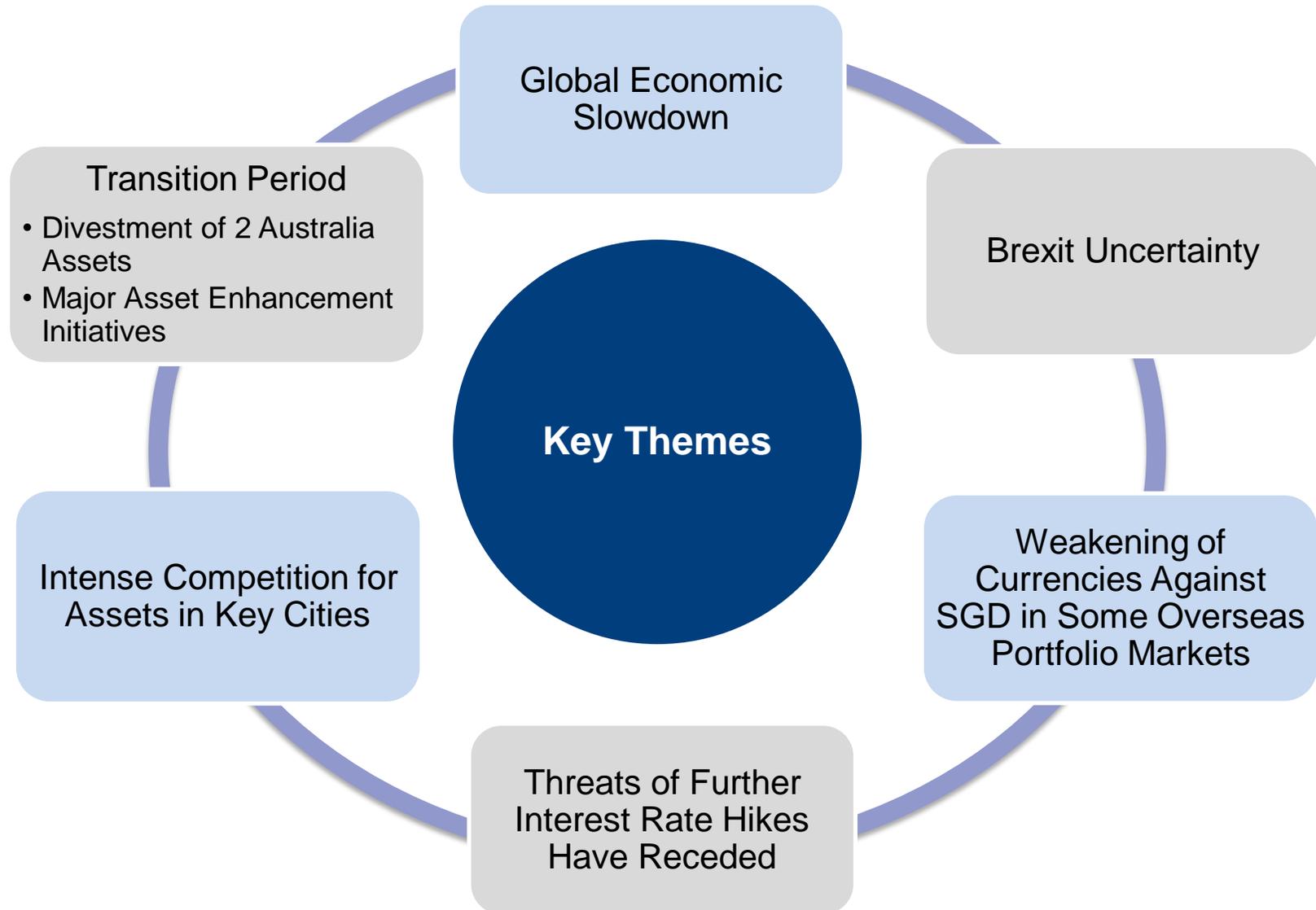
Europe	15.5%
United Kingdom	8.8%
Hilton Cambridge City Centre	5.2%
The Lowry Hotel (Manchester)	3.5%
Germany – Pullman Hotel Munich ⁽³⁾	6.7%
Italy – Hotel Cerretani Florence ⁽³⁾⁽⁴⁾	0.1%
Other Asia	5.7%
Japan	3.3%
MyStays Asakusabashi (Tokyo)	1.9%
MyStays Kamata (Tokyo)	1.4%
Maldives	2.3%
Angsana Velavaru	4.9%
Dhevanafushi Maldives Luxury Resort ⁽⁵⁾	N.M.

- (1) Percentages may not add up due to rounding
- (2) NPI contribution is for the period from 1 Jan 2018 to 11 Jan 2018 (divestment date)
- (3) On the basis of a 100% interest before adjustment of non-controlling interests. CDLHT owns an effective interest of 94.5% and 95.0% in Pullman Hotel Munich and Hotel Cerretani Florence respectively
- (4) NPI contribution is for the period from 27 Nov 2018 (acquisition date) to 31 Dec 2018
- (5) The resort is closed for renovation works from 1 Jun 2018 and will reopen as Raffles Maldives Meradhoo in 2019

Year in Review and Markets Update



Key Themes in Operating Environment



Financial Highlights (NPI)

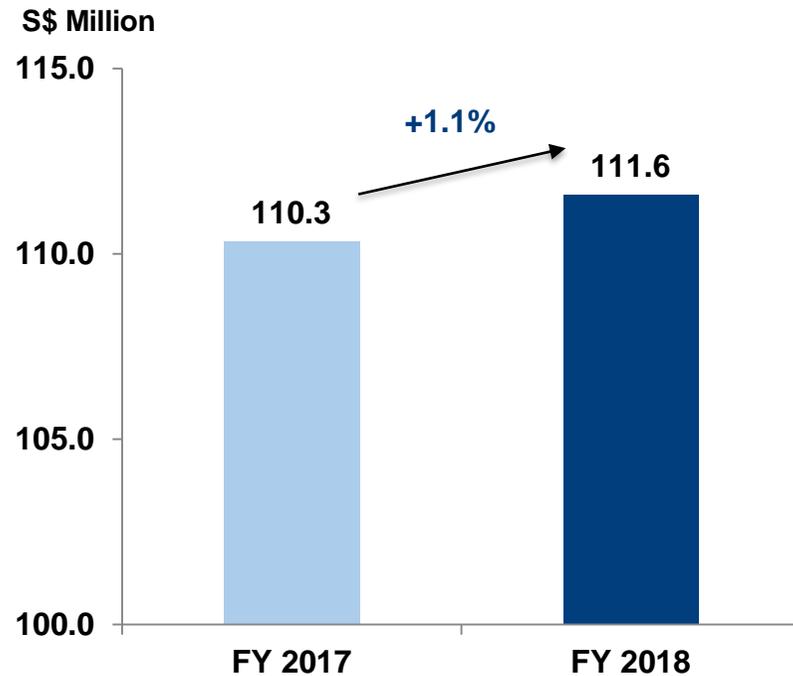
- NPI increased for our core market Singapore
- Benefiting from acquisitions made in Europe last year and income diversification as different markets experience varying cycles

Country	FY 2018 S\$ '000	FY 2017 S\$ '000	Variance S\$ '000	Variance %
Singapore	87,445	86,195	1,250	1.5%
Australia (Divested 2 hotels)	9,832	14,466	-4,634	-32.0%
New Zealand	17,831	19,419	-1,588	-8.2%
Maldives (1 resort closed for renovation)	3,425	9,549	-6,124	-64.1%
Japan	4,852	4,670	182	3.9%
United Kingdom	12,804	12,380	424	3.4%
Germany	9,747	5,081	4,666	91.8%
Italy	118	N.A.	118	N.M.
Total	146,054	151,760	-5,706	-3.8%

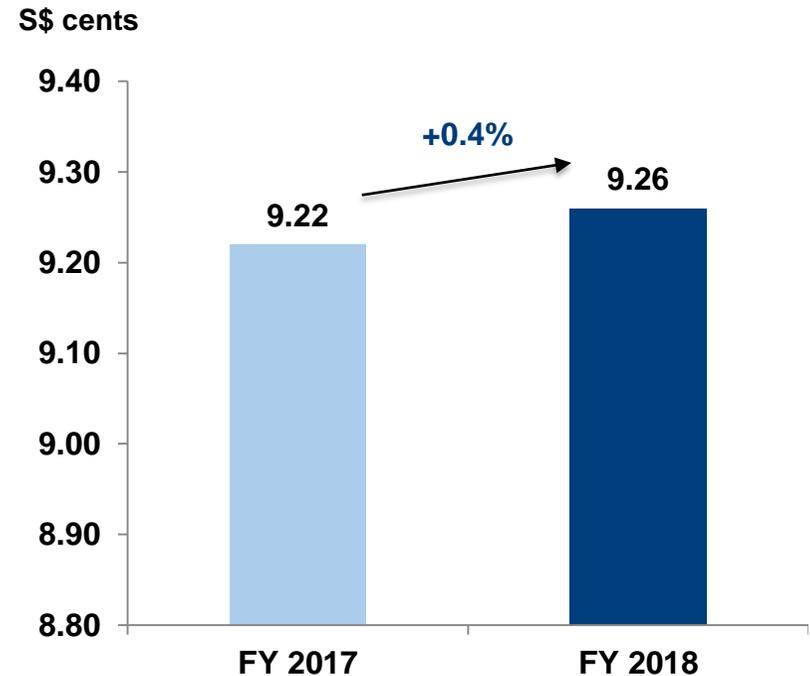
Financial Highlights (Distribution and DPS)

- Delivered stable returns to Stapled Securityholders:
 - Total distribution increased by 1.1% to S\$111.6 million
 - DPS increased by 0.4% to 9.26 cents

Total Distribution ⁽¹⁾



DPS ⁽²⁾



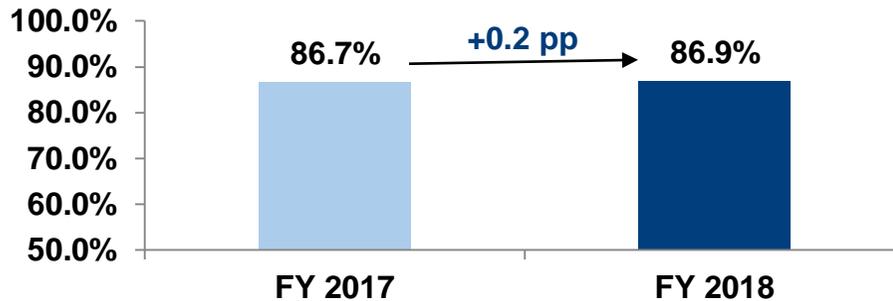
(1) Represents total distribution after retention for working capital

(2) Represents DPS after retention. Total DPS before retention for FY 2017 and FY 2018 are 10.18 cents and 10.17 cents respectively

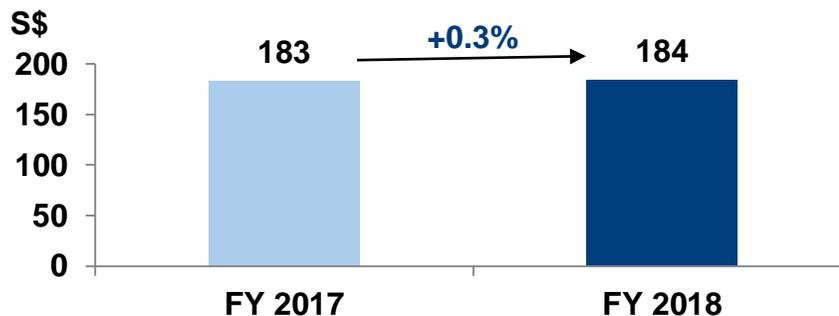
CDLHT's Singapore Properties Performance

- Major citywide events, such as the biennial Singapore Airshow and Food&Hotel Asia, provided support for room rates
- Orchard Hotel's performance was affected by renovation works since Jul 2018
- Singapore Hotels achieved a slight RevPAR growth of 0.6% (2.1% excluding Orchard Hotel)
- Claymore Connect had a committed occupancy of 94% as at 31 Dec 2018

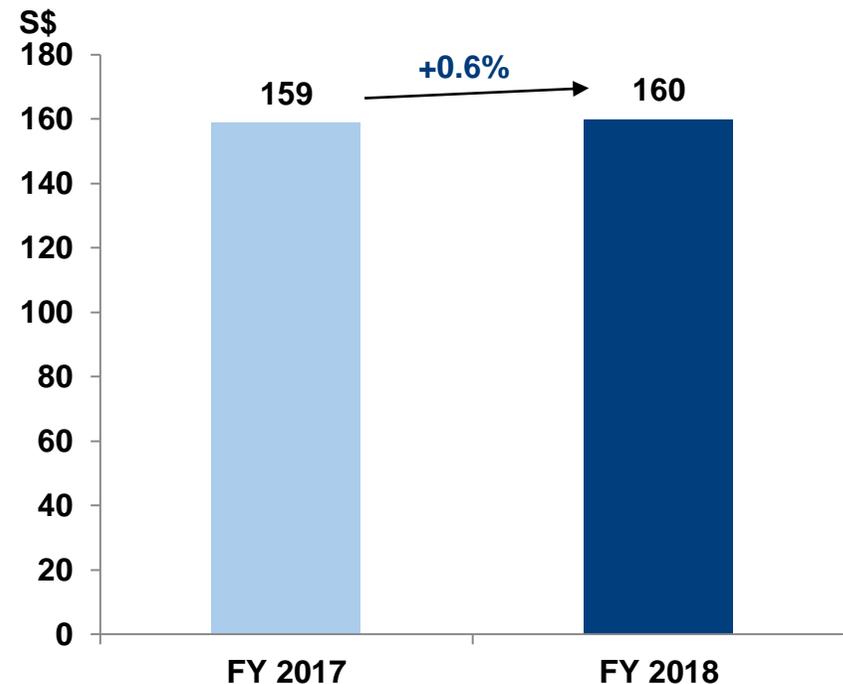
Average Occupancy Rate



Average Daily Rate



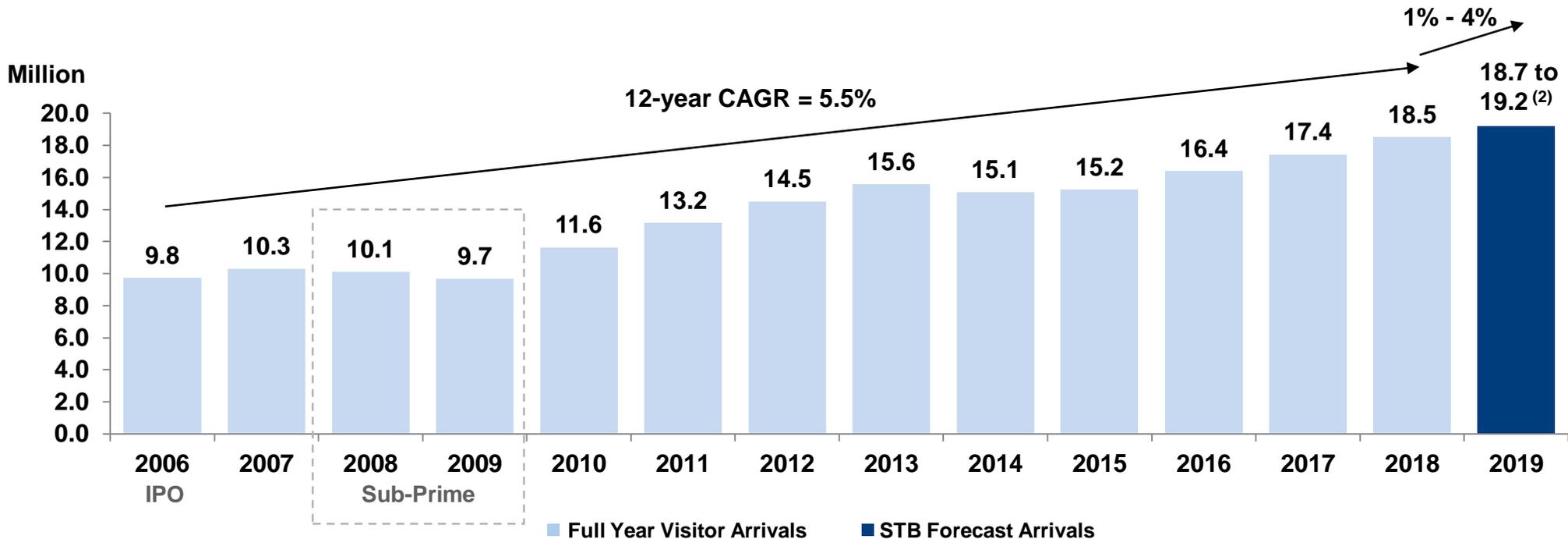
Revenue per Available Room ("RevPAR")



STB Forecasts Up to 4% Growth in Visitor Arrivals

- In 2018, visitor arrivals grew 6.2% year-on-year (“YoY”) ⁽¹⁾
- STB estimates growth in visitor arrivals of up to 4% in 2019 ⁽²⁾
- Singapore continues to invest in infrastructure, tourist attractions and marketing efforts to drive tourism demand

Historical and Forecast Visitor Arrivals to Singapore ⁽¹⁾



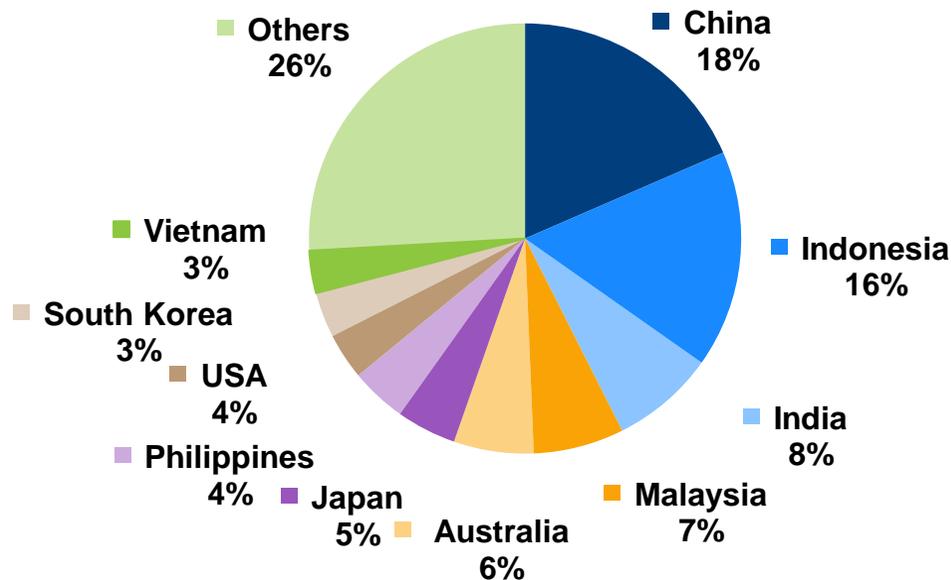
(1) Singapore Tourism Board (“STB”)

(2) STB, “Third consecutive year of growth for Singapore tourism sector in 2018”, 13 Feb 2019

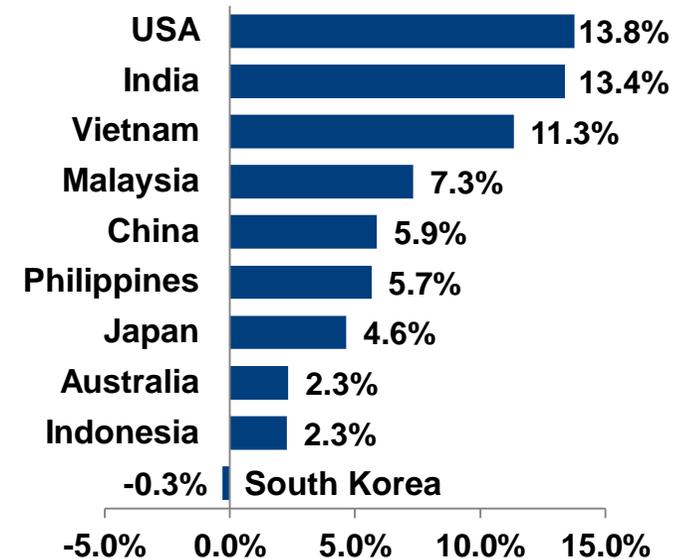
Geographical Mix of Top Markets (Singapore) for 2018

- Almost all inbound markets showed growth in 2018
- Overall growth driven in part by China and India source markets
- China, India, Philippines, USA and Vietnam arrivals reached record highs
- For YTD Feb 2019, total visitor arrivals increased 2% YoY

Geographical Mix of Visitor Arrivals For 2018 ⁽¹⁾



Top 10 Inbound Markets YoY Change For 2018 ⁽¹⁾⁽²⁾



(1) Based on STB's statistics published on 8 Mar 2019

(2) The top 10 inbound markets are ranked according to growth rates in descending order

Singapore – A Leading MICE Destination

Choice Destination for Top-Level International Events

- Successful hosting of a number of highly notable events
- Reinforced Singapore’s status for its safety and security and as a top MICE destination



Trump-Kim Summit
Jun 2018



ASEAN Ministerial Meetings
Across 2018



Bloomberg New Economy Forum
Nov 2018

Pipeline of MICE Events Secured for 2019 & Beyond

- As a high yield segment, MICE remains STB’s key pillar of growth
- Several inaugural sizeable business events secured from 2019 and beyond (1)

<p>Food & Beverage</p> 	   <p>New – 2019</p> <p>Expected Attendance: 3,500</p>	  <p>Expansion into 2 events – 2020</p> <p>Expected Attendance: 45,000</p>
<p>Professional Services</p> 	 <p><i>Global Tax + International World Conference</i> (New – 2019)</p> <p>Expected Attendance with another 5 events up to 2022: 10,500</p>	 <p><i>Security Analyst Summit</i> (New – 2019)</p>
<p>Technology</p> 	 <p><i>Oracle OpenWorld Asia</i> (New – 2019)</p> <p>Expected Attendance with another 2 events up to 2021: 6,000</p>	 <p><i>SAP Field Kick-Off Meeting</i> (Returning – 2020)</p>

Singapore – Investment in Tourism Infrastructure for Decades Ahead

New Large-Scale Tourism Projects Being Planned Across The Entire Island

1. Jurong Lake District ⁽¹⁾

- 7-hectare site set aside for an integrated tourism development that will include attractions, eateries and retail shops

2. Greater Southern Waterfront ⁽²⁾

- Relocation of Pasir Panjang and Tanjong Pagar port terminals to Tuas
- Frees up ~1,000ha of land for a new waterfront city (3x Marina Bay size)
- New tourism attractions and facilities (including MICE) being planned for Sentosa, Pulau Brani and the waterfront along Tanjong Pagar up to 2030
- Further development and expansion of Marina Bay Cruise Centre

3. Marina Bay Sands

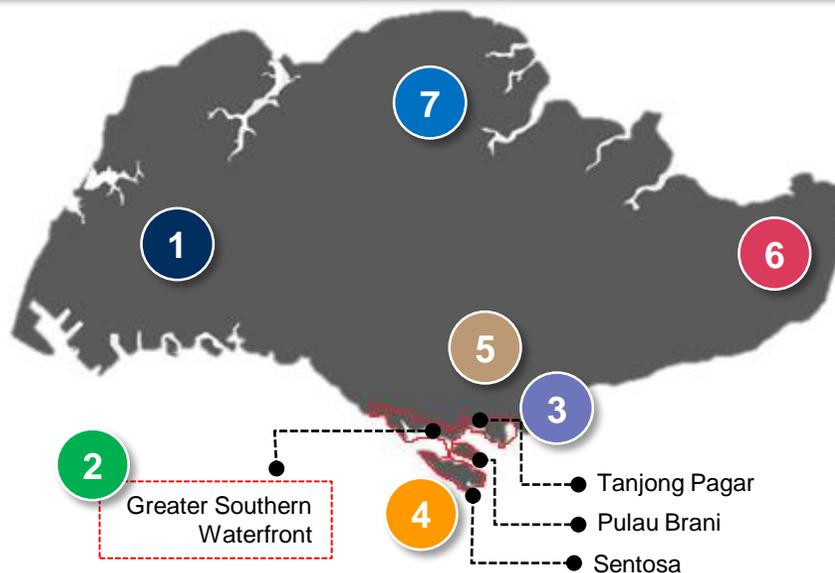
- Marina Bay Sands to add 4th new tower which will have 30%-40% more MICE space and a 15,000-seat arena ⁽³⁾

7. Mandai Nature Precinct

- Rejuvenation of Mandai into an integrated nature and wildlife destination
- Eco-tourism hub will house the new Bird Park and Rainforest Park

6. Jewel Changi Airport ⁽⁴⁾

- Recently opened S\$1.7 billion complex connecting 3 terminals with 135,700 sqm of GFA
- 5-storey garden with a 40m tall (world's largest) indoor waterfall
- More than 280 shops and food and beverage outlets
- Enhances Changi Airport's position as one of the world's best airports



4. Resorts World Sentosa ("RWS")

- RWS expanding with multiple new attractions
- New Minion Park and Super Nintendo World in Universal Studios Singapore
- SEA Aquarium expanding to 3x its current size ⁽³⁾

5. Orchard Road

- Revamp of Orchard Road shopping belt via 4 sub-precincts to include more activities, retail concepts and attractions
 - Tanglin – Arts and lifestyle
 - Orchard – Retail core
 - Somerset – Youth hub
 - Dhoby Ghaut – Green and family-friendly attractions

(1) Today, "Part of Jurong Lake District to be developed into a key tourist attraction by 2026", 16 Apr 2019
(2) Straits Times, "Plans under way to reshape Sentosa, Brani", 18 Oct 2018
(3) Business Times, "Singapore IRs bet on S\$9b expansion; exclusive licences extended to 2030", 4 Apr 2019
(4) Jewel Changi Airport Fact Sheet

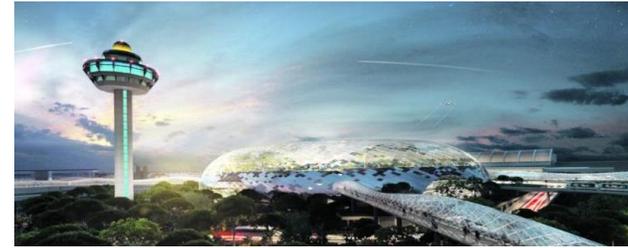
Singapore – Diversified Long Term Growth Drivers Of Arrivals

Top MICE Destination



- Top international meeting city for the 10th year running in 2017 ⁽¹⁾
- Growing status as a leading MICE destination with prominent events being added to its calendar

World Class Aviation Infrastructure



- Changi Airport Terminal 4 opened in Oct 2017
- Jewel Changi Airport opened in Apr 2019
- Opening of Terminal 5 by ~2030 will double current capacity to 150 million passengers p.a. ⁽²⁾

Strong Leisure and Entertainment Offerings



New Tourism Attractions



Makeover of Mandai nature precinct - Artist's impression of the Rainforest Walk (Expecting Opening: 2023)



Redevelopment of Sentosa and attractions (Expected completion: 5 to 10 years)

Image Credits: Changi Airport Group, STB, Mandai Park Holdings, F1, Michelin Guide, Ultra Singapore, International Champions Cup, HSBC Singapore Rugby 7s

(1) Singapore Exhibition & Convention Bureau, "Conferences, Events & Business Awards"

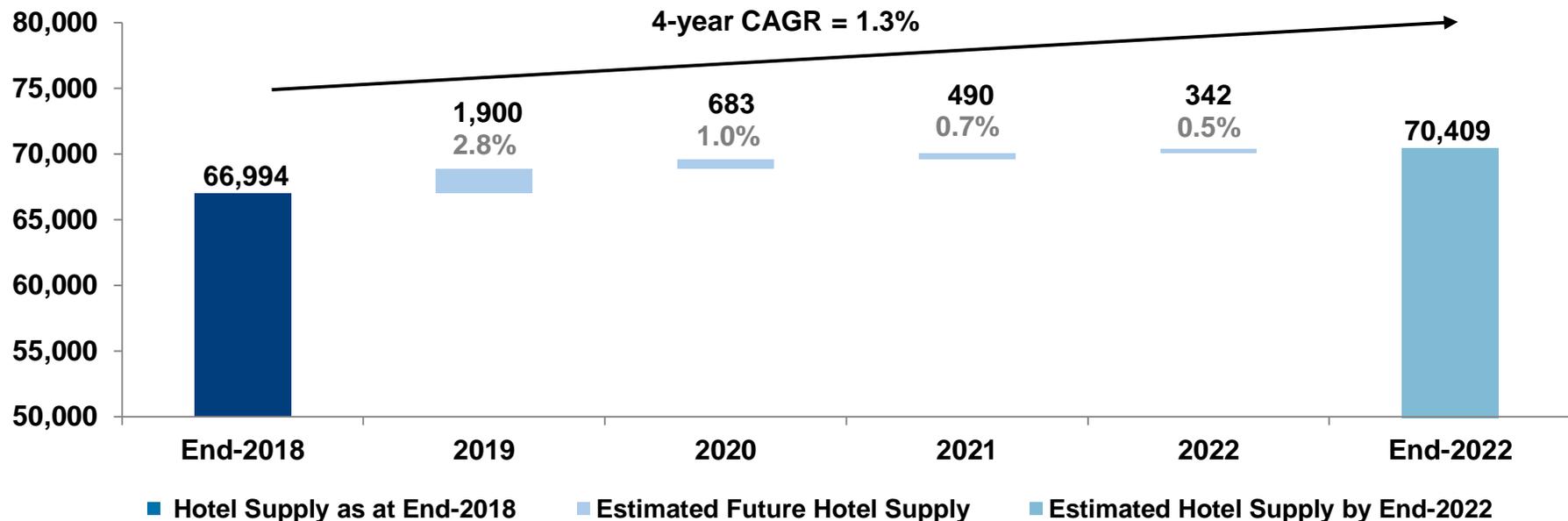
(2) Straits Times, "About 20,000 workers expected at Changi East after T5 construction begins around 2020", 10 Oct 2018

Singapore Hotel Room Supply

- Supply growth going forward is benign with an estimated 1,900 rooms opening this year, with 421 new rooms located in the city centre
- New room supply is expected to grow at a low CAGR of 1.3% for the next 4 years

Current and Expected Hotel Room Supply in Singapore ⁽¹⁾

No. of Hotel Rooms



Sources: STB, Horwath HTL (as at Jan 2019) and CDLHT research

(1) New supply of rooms is a summation of new rooms deducted by existing rooms taken out of inventory

CDLHT's Overseas Properties Performance (New Zealand)

- Visitor arrivals grew 3.5% YoY to 3.9 million last year ⁽¹⁾ and is forecast to increase 5.4% YoY this year ⁽²⁾
- 2017 was an exceptional year due to significant one-off sporting events being held
- Due to the high base effect, Grand Millennium Auckland's RevPAR decreased by 3.8% YoY in FY 2018
- NPI contribution was also affected by a weaker NZD
- Auckland's MICE infrastructure will be strengthened with the opening of the New Zealand International Convention Centre (close proximity to Grand Millennium Auckland) due in 2020 ⁽³⁾



(1) Statistics – Tourism New Zealand

(2) Ministry of Business, Innovation and Employment, New Zealand Tourism Forecasts 2018-2024

(3) NZICC, "The NZICC team will be at AIME 2019", 16 Jan 2019

CDLHT's Overseas Properties Performance (Australia)

- Perth and Brisbane markets continue to be competitive from increased supply of new hotels
- Defensive lease structure of Australia Hotels provides CDLHT with fixed rent in local currency, mitigating downside risks
- NPI (in SGD) for FY 2018 was lower as a result of the divestment of the two Brisbane hotels and weaker AUD



CDLHT's Overseas Properties Performance (UK)

- In 2018, the UK Hotels faced softer trading conditions due to:
 - Extreme cold weather at the start of the year which resulted in travel disruption
 - Increasing hotel rooms supply in Cambridge and Manchester
 - Lighter events calendar in Manchester
- Collective RevPAR for the hotels remained flat YoY
- Looking ahead:
 - Brexit uncertainty poses downside risks to overall demand in UK
 - Both hotels face competitive pressure from new market entrants
 - Manchester will see events such as the Cricket World Cup and Conservative Party conference in 2019, which are positive drivers

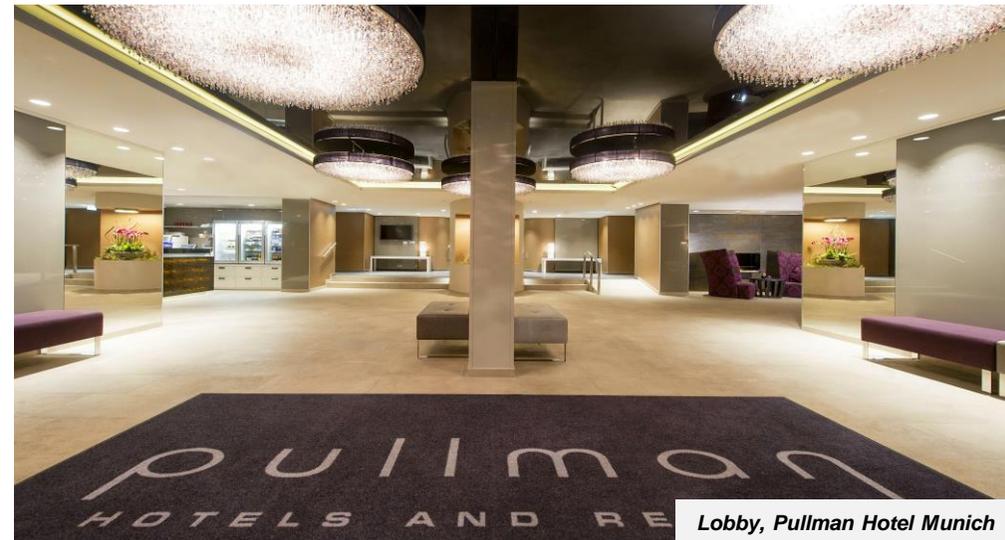


CDLHT's Overseas Properties Performance (Germany)

- RevPAR for Pullman Hotel Munich grew 9.1% in 2018 ⁽¹⁾
- NPI contribution almost doubled with a full year of income recognition and strong demand
- Growth was supported by:
 - Increase in international arrivals to Munich by 6.2% YoY in 2018 ⁽²⁾
 - Stronger citywide events calendar and robust group demand
- Increasing hotel supply is well-balanced by the city's healthy fair calendar
- Munich Airport's capacity will increase with the extension of its Terminal 1 (expected completion in 2023 ⁽³⁾) to cater for growth in inbound arrivals



Executive Room, Pullman Hotel Munich



Lobby, Pullman Hotel Munich

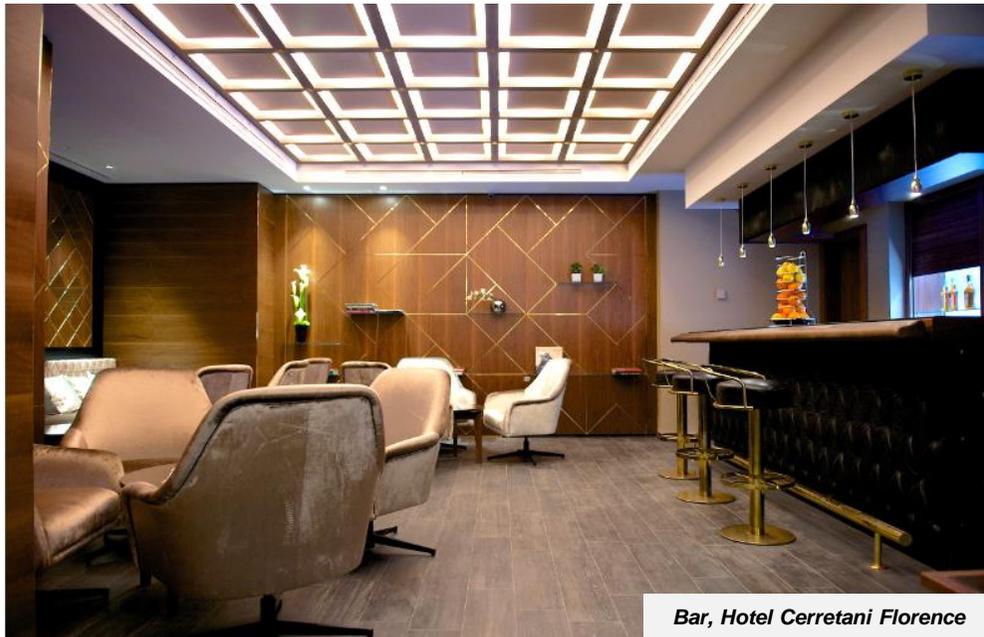
(1) The YoY RevPAR comparison assumes CDLHT owns Pullman Hotel Munich in the same period in 2017

(2) München Tourismus

(3) Passenger Terminal Today, "Munich Airport gains approval for Terminal 1 extension project", 16 Nov 2018

CDLHT's Overseas Properties Performance (Italy)

- CDLHT's first Italy property, Hotel Cerretani Florence, was acquired on 27 Nov 2018
- The inorganic contribution provided a slight boost in CDLHT's overall NPI and the full effects of the acquisition will be felt from FY 2019 and onwards



CDLHT's Overseas Properties Performance (Maldives)

- Overall tourism arrivals increased 6.8% in 2018 with broad-based growth across European feeder markets ⁽¹⁾
- However, trading environment continues to be competitive due to:
 - Increase in resorts supply in past few years (3-year CAGR of 8.4%) ⁽¹⁾
 - Decrease in arrivals from Maldives' top source market, China
- As such, RevPAR for Angsana Velavaru decreased 6.1% but contribution in local currency was unaffected due to recognition of minimum rent
- Dhevanafushi Maldives Luxury Resort was closed in Jun 2018 for renovation and will soon reopen as “Raffles Maldives Meradhoo”
- Inbound flights continue to grow and the Maldives 2019 state budget for tourism promotion was increased by approximately 3 times ⁽²⁾ with ongoing collaboration with large source markets, such as India ⁽³⁾



InOcean Villa, Angsana Velavaru



Ocean Villa, Raffles Maldives Meradhoo

- (1) Ministry of Tourism, Republic of Maldives, Tourism Monthly Updates
 (2) Maldives Insider, “Maldives Seeks Record-Breaking Tourism Performance In 2019”, 2 Jan 2019
 (3) Avias Online, “Indian tourists to visit destinations in all regions of Maldives”, 24 Feb 2019

CDLHT's Overseas Properties Performance (Japan)

- The Japan Hotels registered a RevPAR increase of 0.6% in 2018, driven by a 6.6% growth in 2H 2018
- The improvement was supported by:
 - Growth in arrivals to Japan by 8.7% to a record high of 31.2 million for 2018 ⁽¹⁾
 - Suspension of many Airbnb listings due to new regulations implemented in Jun 2018 ⁽²⁾ which mitigated the effects of the new supply in the limited-service hotel sector
- Strong forward growth momentum for inbound visitor arrivals with:
 - Major upcoming sporting events such as the 2019 Rugby World Cup and 2020 Summer Olympics
 - Development of integrated resorts



Queen Room, MyStays Asakusabashi



Modern Twin Room Aoba, MyStays Asakusabashi



Twin Room, MyStays Kamata

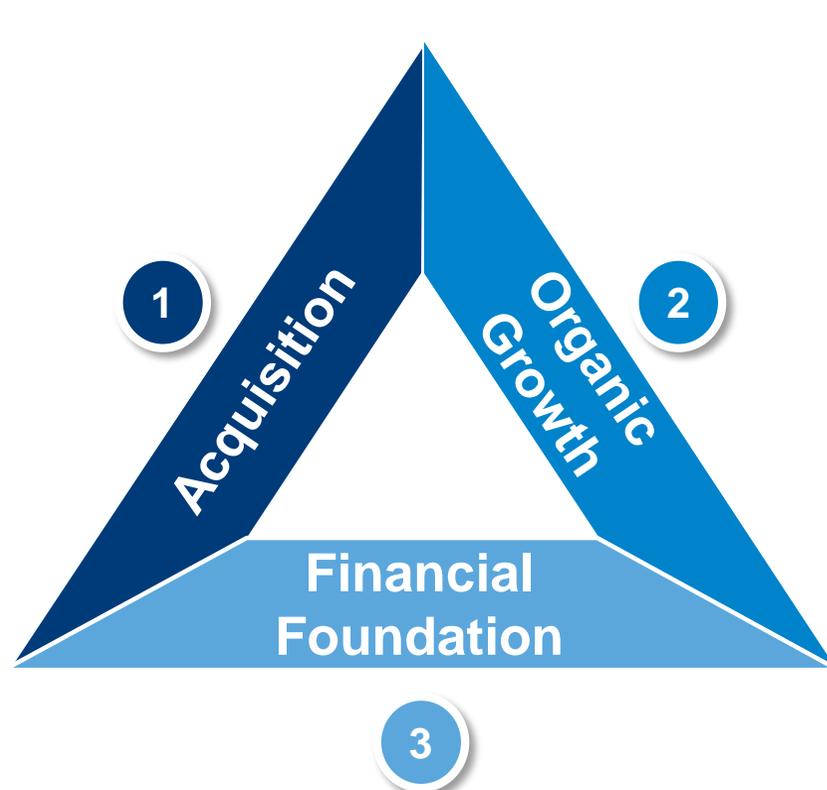
(1) Japan National Tourism Organization

(2) Savills World Research Japan, "Spotlight Japan Hospitality", Feb 2019

Management Strategy



Management Strategy to Enhance Unitholders' Value



Growing unitholders' value via acquisition and organic growth while keeping a firm financial foundation

1

Acquisition Growth Strategy

- Pursue quality assets with growth potential
- Adopt a medium to long term perspective to ride through market cycles
- Partner with or tap on potential pipeline from M&C / CDL
- Capitalise on historically low interest rates in certain markets to enjoy spread over funding costs

2

Asset Management Strategy

- Work closely with master lessees and/or hotel managers to implement active revenue and cost management
- Implement asset enhancement initiatives to optimise asset potential
- Evaluate divestment opportunities periodically to recycle capital for better returns and unlock underlying asset values

3

Capital and Risk Management Strategy

- Maintain a healthy balance sheet
- Enhance financial flexibility by maintaining diversified sources of funding
- Hedge against rising interest rates by refinancing with longer term fixed rate borrowings

Management Strategy

Acquisition Growth Strategy



Acquisition of Hotel Cerretani Florence, Italy

Property Snapshot

Date of Acquisition	27 Nov 2018
Total Rooms	86 keys
Star Rating	4-star
Land Tenure	Freehold
Property Price	€40.6M ⁽¹⁾ (~€497,000 ⁽²⁾ per key)
Effective Interest	95.0%
NPI Yield (FY 2018) ⁽³⁾	4.3%
Refurbishment	2016



Hotel Cerretani Florence



Junior Suite, Hotel Cerretani Florence



Lobby, Hotel Cerretani Florence

(1) €40.6M is the property price of H-REIT's effective interest of 95.0%

(2) Based on a price of €42.7M for the hotel on a 100% interest basis

(3) Assuming CDLHT owned the hotel from 1 Jan 2018, the historical pro forma NPI yield of the hotel for FY 2018 would be ~4.3% based on the Property Price. As a percentage of total acquisition cost, the pro forma NPI yield would be ~4.1%

Florence Tourism Market

1

Highly Desirable Tourist Destination

- Florence ranks amongst Italy's top 5 most visited cities

2



- Famed for its UNESCO protected old town and numerous museums
- Synonymous with Renaissance art and architecture

3



- Prime luxury brands (e.g. Salvatore Ferragamo and Gucci) based in the Greater Florence area ⁽¹⁾

4



- Acknowledged positioning as an events venue
- Biannual "*Pitti Immagine Uomo*" international fashion exhibition attracted a total of more than 66,000 visitors in last 2 editions ⁽²⁾

5

Easily Accessible via 2 International Airports

- Florence Airport ~8km from the city centre
- Pisa Airport <90 km from Florence

Image Credits: UNESCO, Pitti Immagine Uomo "Admin Web"

(1) Hospitality Net, "In Focus: Florence, Italy", 13 Mar 2017

(2) Pitti Immagine Uomo

Merits of the Transaction

1

Maiden entry into Italy, strengthening CDLHT's portfolio through diversification

2

Exceptional location in the heart of the historic city centre with world-famous tourist attractions and good transportation connections

3

Rare opportunity to penetrate a highly sought-after market with growth potential

- Unique status of Florence in the tourism market
- High barriers to entry due to restrictions on new hotel supply

4

Accretive acquisition of a high quality asset in a low funding cost environment

5

Lease structure offers both downside protection and upside participation



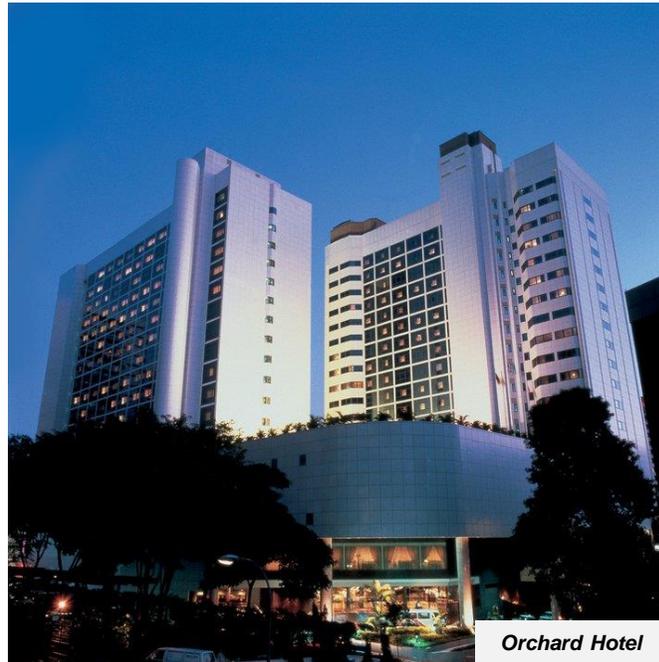
Management Strategy

Asset Management Strategy



Asset Enhancement Initiatives

Singapore



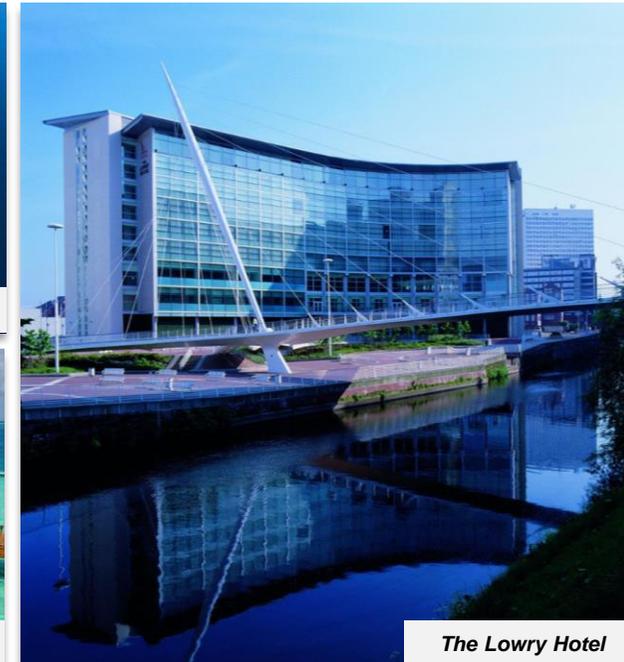
- Positioning CDLHT for a cyclical recovery in Singapore's hotel sector
- Rejuvenation of Orchard Hotel in progress, causing some disruption during the period of works
- Asset enhancement opportunities in the other hotels being evaluated

Maldives



- Renovation and rebranding program of Raffles Maldives Meradhoo well-advanced
- Refurbishment of villas and public facilities at Angsana Velavaru being planned
- Strengthen resorts' product offerings to help improve performance amidst rising competition

United Kingdom



- To fortify The Lowry Hotel's position as the top hotel in Manchester:
 - Presidential Suite was renovated, which is key to entertainment business segment
 - Lobby and other public areas will also be upgraded

Asset Enhancement Initiatives – Orchard Hotel

- Lobby and all food and beverage outlets were extensively revamped
- Completed in end 2018



Lobby significantly uplifted

Asset Enhancement Initiatives – Orchard Hotel (Con't)



Newly renovated Orchard Cafe provides guests with an improved dining experience



Asset Enhancement Initiatives – Orchard Hotel (Con't)



**Newly
renovated
buffet area of
Orchard Cafe**

Orchard Cafe



Asset Enhancement Initiatives – Orchard Hotel (Con't)

- Orchard Wing is undergoing a full rejuvenation project
- 260 bedrooms in Orchard Wing being upgraded in phases and is expected to complete in Jun 2019
- Another 65 Club Floor Rooms will be completed in 3Q 2019



Orchard Wing Deluxe Room (Before)



Orchard Wing Grand Deluxe Room (After)

Significant modernisation of room product to enhance guest experience and improve hotel's competitive edge



Asset Enhancement Initiatives – Orchard Hotel (Con't)

- Embarked on a major facelift of all the meeting facilities and the Grand Ballroom
- Completed in Mar 2019



Grand Ballroom (Before)



Grand Ballroom (After)

Strengthen hotel's current position as 1 of only 4 hotels in Singapore with a ballroom that can accommodate 1,000 or more guests



Asset Enhancement Initiatives – Raffles Maldives Meradhoo

- Extensive renovation works at the resort is currently underway
- Land villas will soft open in 2Q 2019
- Over-water villas will open later this year



Positioned for the top end luxury market in Maldives



Asset Enhancement Initiatives – Raffles Maldives Meradhoo (Con't)



Arrival area of the resort



Asset Enhancement Initiatives – Raffles Maldives Meradhoo (Con't)



Long Bar (Rendering)

The “Long Bar” of Raffles in Maldives



Asset Enhancement Initiatives – Raffles Maldives Meradhoo (Con't)



Raffles Spa (Rendering)

Spa reception area

Asset Enhancement Initiatives – The Lowry Hotel

- Renovation of Presidential Suite completed in Oct 2018
- Largest hotel suite in Manchester at >180 sqm



Presidential Suite

Lounge area of the Presidential Suite



Asset Enhancement Initiatives – The Lowry Hotel (Con't)



**Dining area of the
Presidential Suite**

Presidential Suite



Asset Enhancement Initiatives – The Lowry Hotel (Con't)



**Bedroom of the
Presidential Suite**

Presidential Suite



Asset Enhancement Initiatives – The Lowry Hotel (Con't)



**Walk-in dressing
room of the
Presidential Suite**

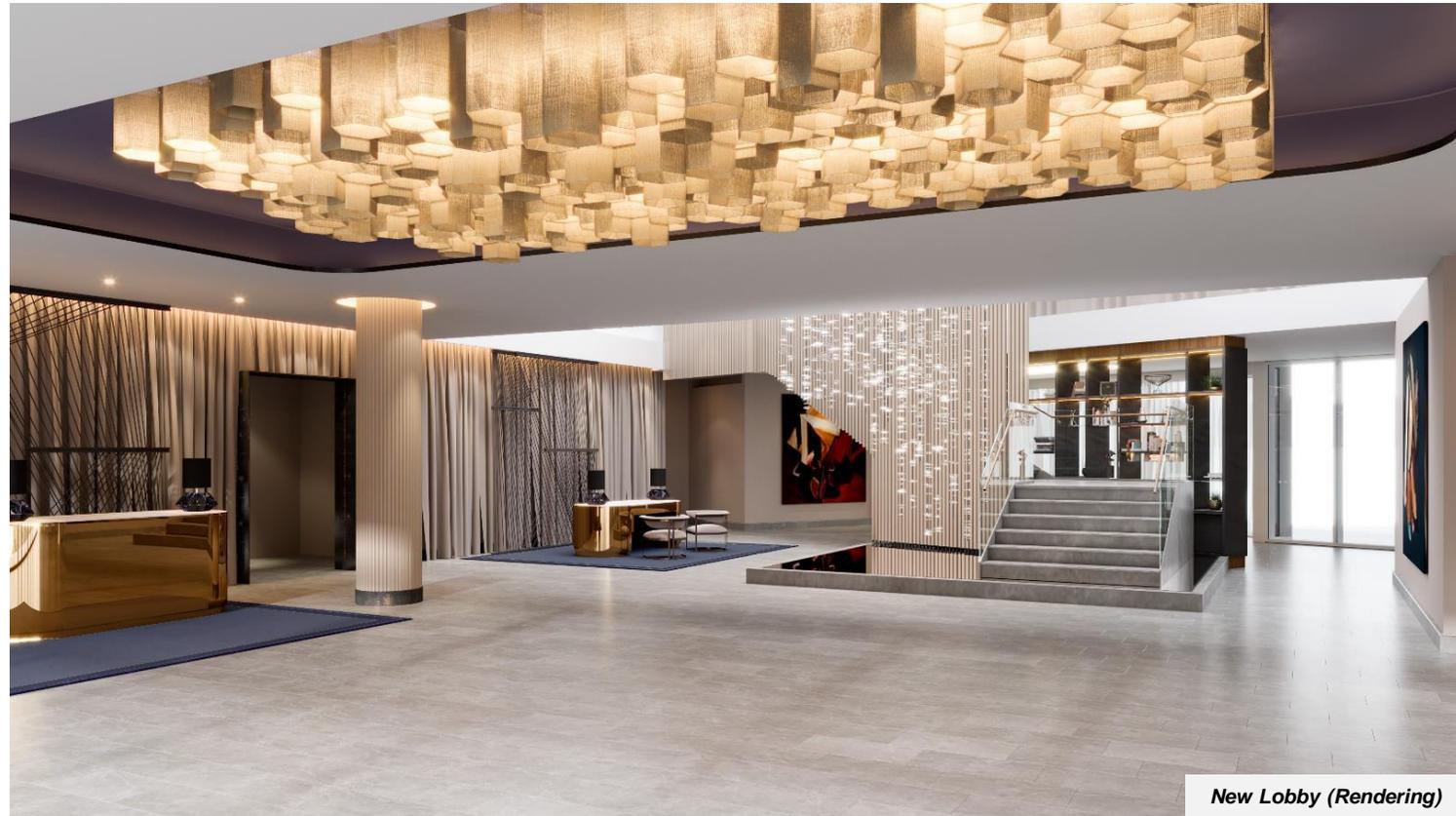
Presidential Suite



Asset Enhancement Initiatives – The Lowry Hotel (Con't)



Lobby (Before)



New Lobby (Rendering)

Lobby renovation will be completed in May 2019

Management Strategy

Capital Management Strategy



Strong and Flexible Balance Sheet

- Well-positioned to actively pursue suitable acquisition opportunities and asset enhancement initiatives

Robust Balance Sheet ⁽¹⁾

Low gearing

34.2%

Previous year: 32.6%



Ample Regulatory Debt Headroom at 45%

S\$578M

Previous year: S\$644M

Strong Interest Coverage Ratio ⁽²⁾

7.1x

Previous year: 7.3x

Proactive debt management through:

- Repaying higher interest bearing loans
- Capitalising on low funding environment in Europe

High Credit Quality

Stable Outlook

'BBB-'

Fitch Issuer Default Rating

Low cost of debt

2.4%

Previous year: 2.1%

(1) As at 31 Dec 2018, debt value is S\$1,014 million (previous year: S\$934 million); total assets are S\$2.96 billion (previous year: S\$2.86 billion); and net asset value per unit is S\$1.53 (previous year: \$1.53)

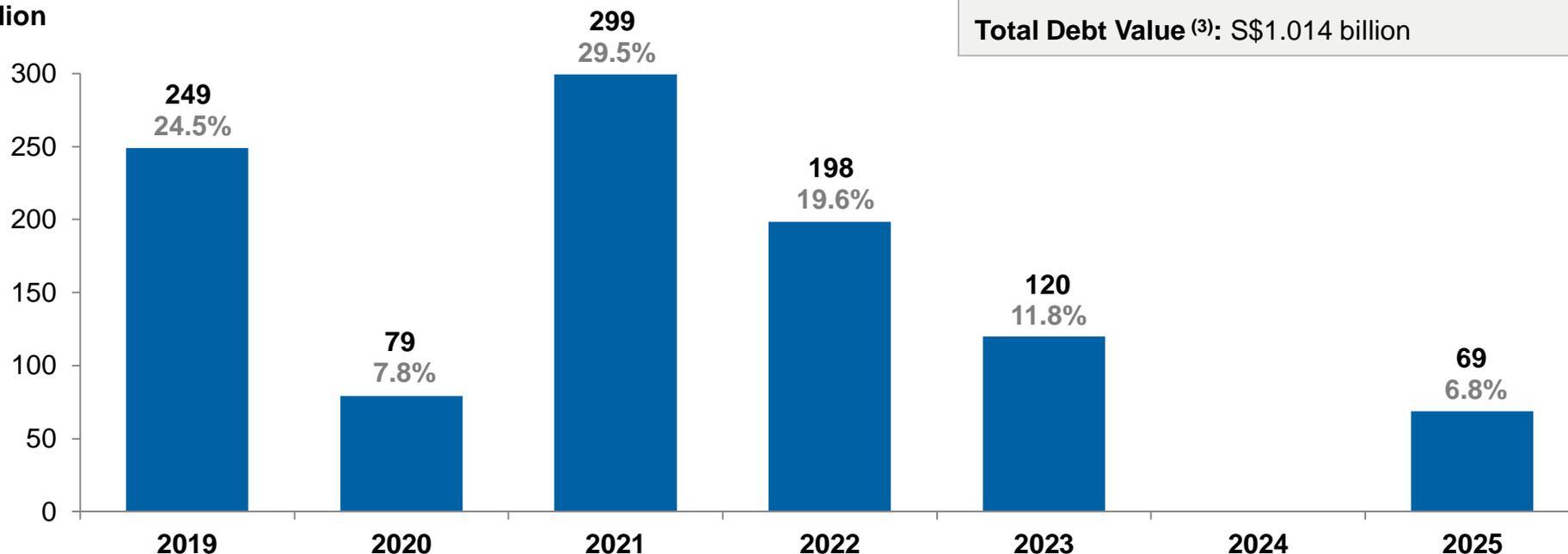
(2) Interest cover is computed using the FY 2018 and FY 2017 net property income divided by the total interest paid/ payable in FY 2018 and FY 2017 respectively

Debt Profile as at 31 December 2018

- Three loans successfully refinanced in FY 2018
- Post 31 Dec 2018, a three-year S\$100 million revolving credit facility was also refinanced with a new facility
- Well-balanced maturity profile with >2/3 of total debt maturing from 2021 onwards

Debt Maturity Profile as at 31 December 2018 ⁽¹⁾⁽²⁾

S\$ million



(1) Numbers may not add up due to rounding

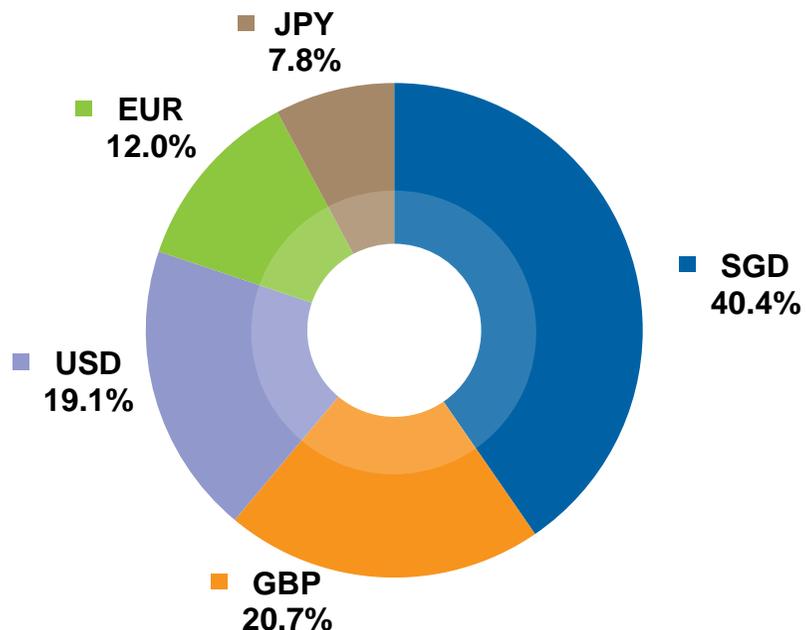
(2) Based on exchange rates of US\$1 = S\$1.3707, £1 = S\$1.7411, €1 = S\$1.5622 and S\$1 = ¥80.5802

(3) Debt value is defined as medium term notes, bank borrowings and the TMK Bond which are presented before the deduction of unamortised transaction costs

Debt Profile as at 31 December 2018

- Prudent capital management with fixed rate borrowings constituting ~62% of total borrowings as at 31 Dec 2018
- Proportion of fixed rate borrowings will increase once the bridging loan for acquisition of Italy Hotel is refinanced

Debt Currency Profile (1)(2)



Interest Rate Profile (1)(2)

	Fixed Rate Borrowings	Floating Rate Borrowings
SGD	46.4%	53.6%
USD ⁽³⁾	100.0%	-
GBP	44.8%	55.2%
JPY	100.0%	-
EUR	56.3%	43.7%
Blended Total	61.6%	38.4%

(1) Numbers may not add up due to rounding

(2) Based on exchange rates of US\$1 = S\$1.3707, £1 = S\$1.7411, €1 = S\$1.5622 and S\$1 = ¥80.5802

(3) US\$76.2 million of USD term loan is fixed via a EUR/USD CCS

Conclusion





Conclusion

Diversified Portfolio



- Geographically diversified asset base provides overall portfolio stability as individual markets can be cyclical
- Highest portfolio value since IPO
- Core Singapore market is recovering

Strong Financial Position



- Robust balance sheet provides ample capacity for:
 - Further acquisitions
 - Asset enhancement initiatives

Growth and Value Focused



- Evaluate avenues to unlock underlying asset values
- Adopt a medium to long term perspective towards investment
- Drive growth through compelling acquisitions and optimising asset potential