

MORE THAN

A PLACE TO STAY

**Proposed Combination with Ascott Residence Trust
(the “Combination”)**

3 July 2019

Disclaimer

This presentation shall be read in conjunction with A-HTRUST's Annual Report for the financial year ended 31 March 2019 ("FY2018/19"), copies of which are available on www.sgx.com or www.a-htrust.com.

The value of the stapled units issued by Ascendas Hospitality Trust ("**A-HTRUST**") (the "**A-HTRUST Stapled Units**") and the income derived from them may fall as well as rise. A-HTRUST Stapled Units are not obligations of, deposits in, or guaranteed by, Ascendas Hospitality Fund Management Pte. Ltd. (the "**A-HTRUST REIT Manager**"), Ascendas Hospitality Trust Management Pte. Ltd. (the "**A-HTRUST BT Trustee-Manager**" and together with the A-HTRUST REIT Manager, the "**Managers**"), Perpetual (Asia) Limited (as the trustee of Ascendas Hospitality Real Estate Investment Trust) (the "**A-HTRUST REIT Trustee**"), or any of their respective affiliates.

An investment in the A-HTRUST Stapled Units 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 A-HTRUST Stapled Units while the A-HTRUST Stapled Units are listed. It is intended that stapled unitholders of A-HTRUST may only deal in their A-HTRUST Stapled Units through trading on the SGX-ST. Listing of the A-HTRUST Stapled Units on the SGX-ST does not guarantee a liquid market for the A-HTRUST Stapled Units. The past performance of A-HTRUST is not necessarily indicative of the future performance of A-HTRUST.

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

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5. Conclusion



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Transaction Overview



Transaction Summary



**Proxy Hospitality
Trust in Asia Pacific**

Transaction Structure

- Ascott Reit to acquire all A-HTRUST Stapled Units via a Trust Scheme (the “**Trust Scheme**”)

Scheme Consideration

- S\$1.0868 ⁽¹⁾ per A-HTRUST Stapled Unit on an ex-distribution basis (the “**Scheme Consideration**”)
- Scheme Consideration shall be satisfied by:
 - S\$0.0543 ⁽²⁾ in cash per A-HTRUST Stapled Unit (the “**Cash Consideration**”); and
 - 0.7942 new Ascott Reit-BT Stapled Units ⁽¹⁾⁽³⁾⁽⁴⁾ per A-HTRUST Stapled Unit (the “**Consideration Units**”)

Key Highlights

- Scheme Consideration represents 7% premium to NAV per A-HTRUST Stapled Unit and 32% premium to 12M VWAP ⁽⁵⁾
- A-HTRUST Stapled Unitholders to benefit from 1.8% pro forma DPU accretion

Stronger Financial Position to Deliver Sustainable Growth

1. Based on new Ascott Reit-BT Stapled Units issued at S\$1.30 per Ascott Reit-BT Stapled Unit
2. The aggregate Cash Consideration to be paid to each A-HTRUST Stapled Unitholder shall be rounded to the nearest S\$0.01
3. The number of Consideration Units which each A-HTRUST Stapled Unitholder will be entitled to pursuant to the Trust Scheme will be rounded down to the nearest whole number, and fractional entitlements shall be disregarded in the calculation of the aggregate Consideration Units to be issued to any A-HTRUST Stapled Unitholder pursuant to the Trust Scheme
4. Prior to the issuance of new Ascott Reit-BT Stapled Units to the Ascott Reit-BT Stapled Unitholders, Ascott Reit’s Unitholders will receive distributions declared prior to the agreement and for the period between 1 January 2019 and the day prior to the Trust Scheme becoming effective
5. The last closing price refers to the closing price of the A-HTRUST Stapled Unit as at 2 July 2019. The VWAPs are with reference to the relevant periods up to and including 2 July 2019

The Scheme Consideration

The Scheme Consideration of S\$1.0868 per Stapled Unit ⁽¹⁾⁽²⁾⁽³⁾ will be satisfied entirely via:

S\$0.0543

in cash per A-HTRUST Stapled Unit



0.7942

new Ascott Reit-BT Stapled Units
per A-HTRUST Stapled Unit ⁽³⁾⁽⁴⁾



The Scheme Consideration is based on a
gross exchange ratio of 0.836x ⁽⁵⁾



A-HTRUST Stapled Unitholders to continue
receiving normal distributions until
completion of the Combination

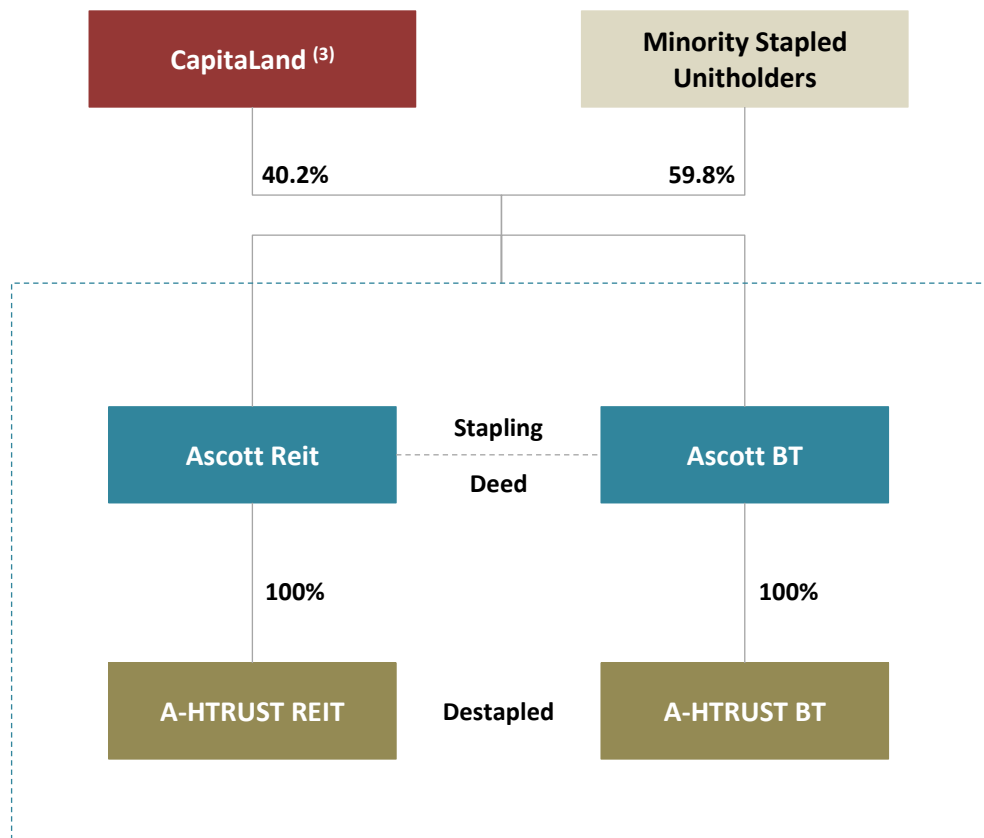
1. On an ex-distribution basis
2. Based on new Ascott Reit-BT Stapled Units issued at S\$1.30 per Ascott Reit-BT Stapled Unit
3. No fractions of a Consideration Unit will be issued and fractional entitlements shall be disregarded in the calculation of Consideration Units to be issued to any A-HTRUST Stapled Unitholder pursuant to the Trust Scheme
4. Prior to the issuance of new Ascott Reit-BT Stapled Units to the Ascott Reit-BT Stapled Unitholders, Ascott Reit's Unitholders will receive distributions declared prior to the agreement and for the period between 1 January 2019 and the day prior to the Trust Scheme becoming effective
5. Based on A-HTRUST's audited Net Asset Value ("NAV") per A-HTRUST Stapled Unit as at 31 March 2019 of S\$1.02 divided by Ascott Reit's audited NAV per unit as at 31 December 2018 of S\$1.22

Transaction Structure

Steps

- Ascott Reit to establish a wholly-owned business trust (“**Ascott BT**”)
- Ascott Reit to acquire all the A-HTRUST Stapled Units via a Trust Scheme
- Ascott Reit will be restructured and Ascott Reit units will be stapled with Ascott BT units (together, the “**Ascott Reit-BT Stapled Units**”)
- Upon the Trust Scheme being approved and becoming effective, A-HTRUST will be destapled and de-listed ⁽¹⁾
- Ascendas Hospitality Real Estate Investment Trust (“**A-HTRUST REIT**”) will become a subtrust of Ascott Reit and Ascendas Hospitality Business Trust (“**A-HTRUST BT**”) will become a sub-trust of Ascott BT

Combined Entity Structure ⁽²⁾



1. Subject to regulatory approvals

2. Based on public information as at 2 July 2019 and including Consideration Units

3. Held through CapitaLand group of entities, namely Ascendas Land International Pte Ltd, The Ascott Limited, Somerset Capital Pte Ltd and the Ascott Reit Manager

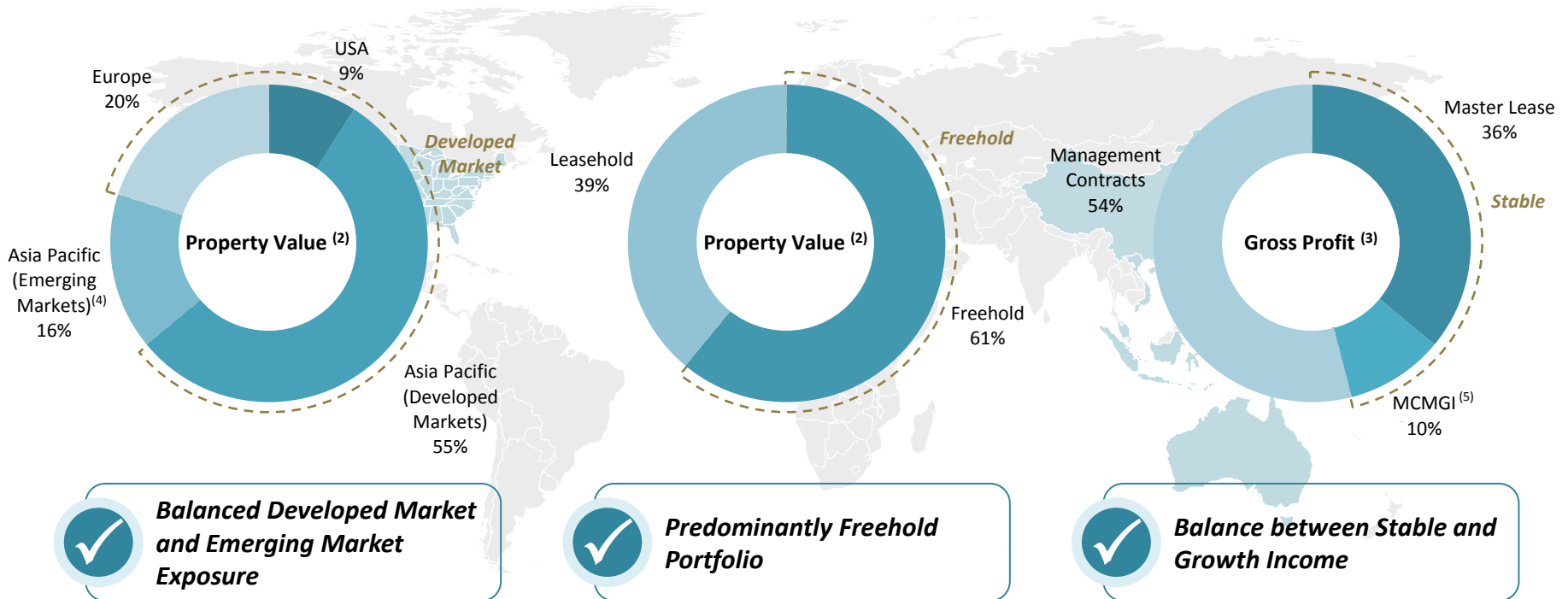
A-HTRUST to Become Part of the Largest Hospitality Trust in Asia Pacific

 **88**
Properties ⁽¹⁾

 **15**
Countries

 **>15**
Global Brands

 **Sponsorship of Leading
Owner-Operator
Hospitality Platform**



1. Includes lyf one-north Singapore for Ascott Reit
2. Combined Entity's Property Value of S\$6.7Bn based on A-HTRUST's and Ascott Reit's financials as at 31 March 2019 and 31 December 2018 respectively
3. Combined Entity's Gross Profit of S\$325MM based on A-HTRUST's and Ascott Reit's financials for the year ended 31 March 2019 and 31 December 2018 respectively
4. Emerging markets include China, Indonesia, Malaysia, the Philippines and Vietnam based on FTSE EPRA Nareit classification
5. MCMGI means Management Contracts with Minimum Guaranteed Income

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Key Benefits of the Combination



Key Benefits of the Combination



1 Value Accretive to A-HTRUST Stapled Unitholders



2 Enlarged and Diversified Portfolio to Enhance Resilience



3 Participation in the Proxy Hospitality Trust in Asia Pacific



4 Increased Flexibility and Ability to Drive Growth

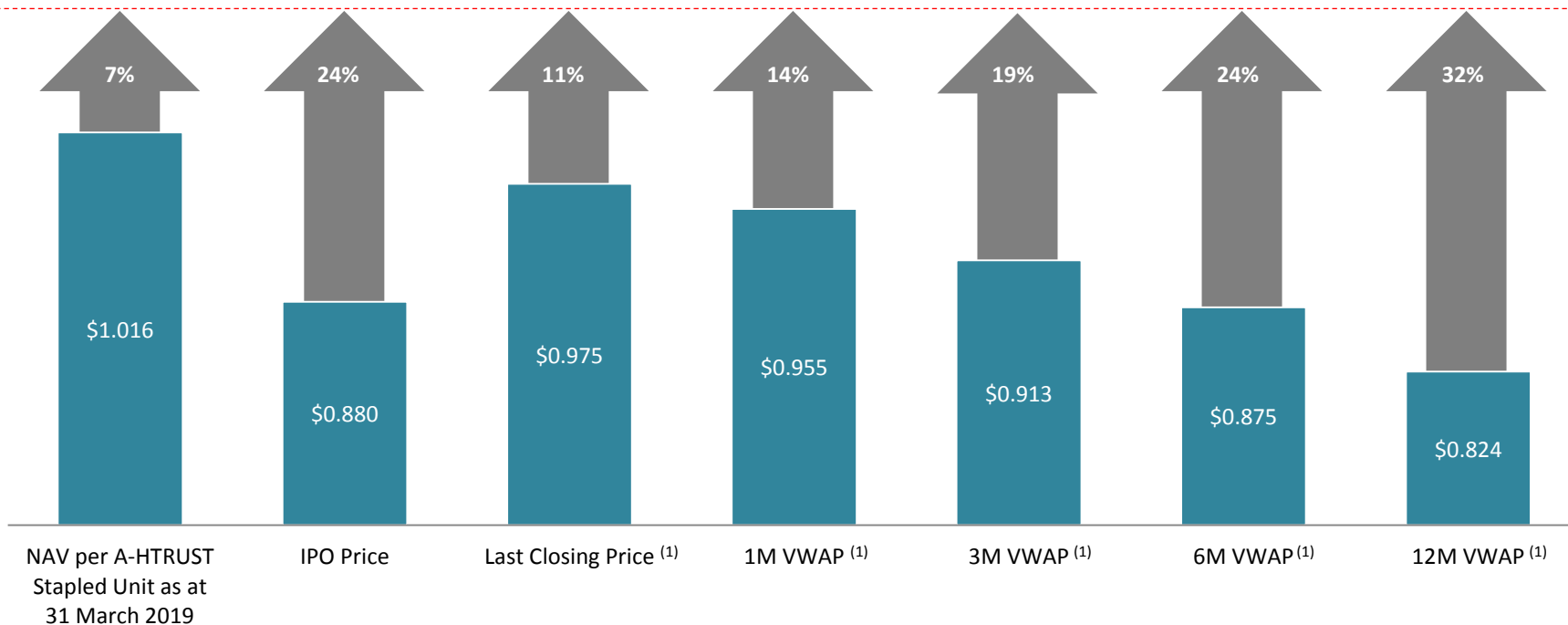


5 Benefit from Ascott's Owner-Operator Hospitality Platform

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Value Accretive to A-HTRUST Stapled Unitholders

A-HTRUST Scheme Consideration: S\$1.0868 (Stapled Unitholders to continue receiving normal distributions until completion of the Combination)



Attractive Premium to Historical Valuation

Source: Bloomberg

1. The last closing price refers to the closing price of the A-HTRUST Stapled Unit as at 2 July 2019. The VWAPs are with reference to the relevant periods up to and including 2 July 2019

1

Value Accretive to A-HTRUST Stapled Unitholders (cont'd)

Historical A-HTRUST Stapled Unit Price

Since IPO (S\$)



Source: Capital IQ as of 2 July 2019

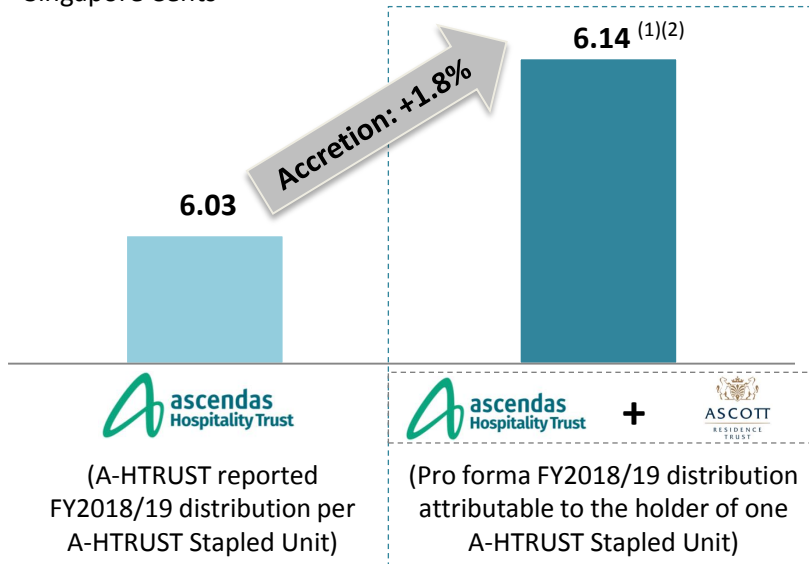


**Scheme Consideration of S\$1.0868 per A-HTRUST Stapled Unit
at a Premium to All Time High Closing Price**

Value Accretive to A-HTRUST Stapled Unitholders (cont'd)

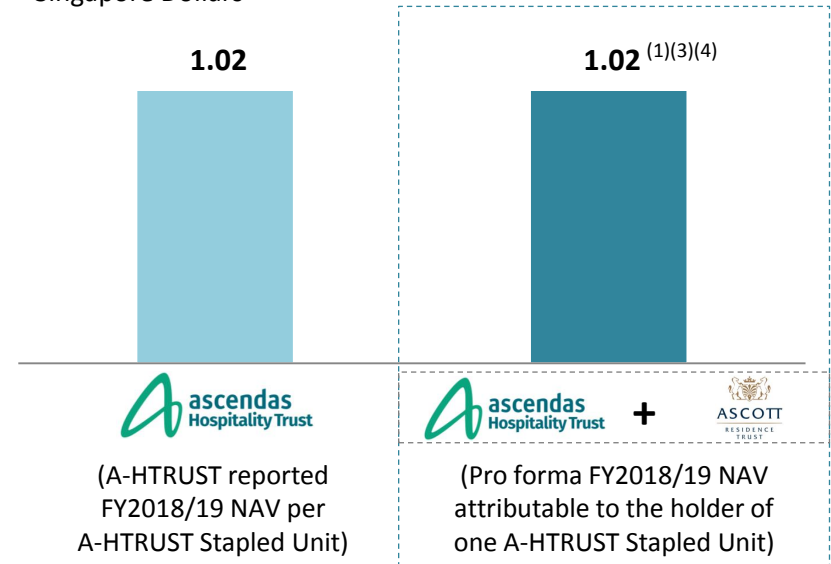
Pro Forma Distribution Per A-HTRUST Stapled Unit

Singapore Cents



Pro Forma NAV Per A-HTRUST Stapled Unit

Singapore Dollars

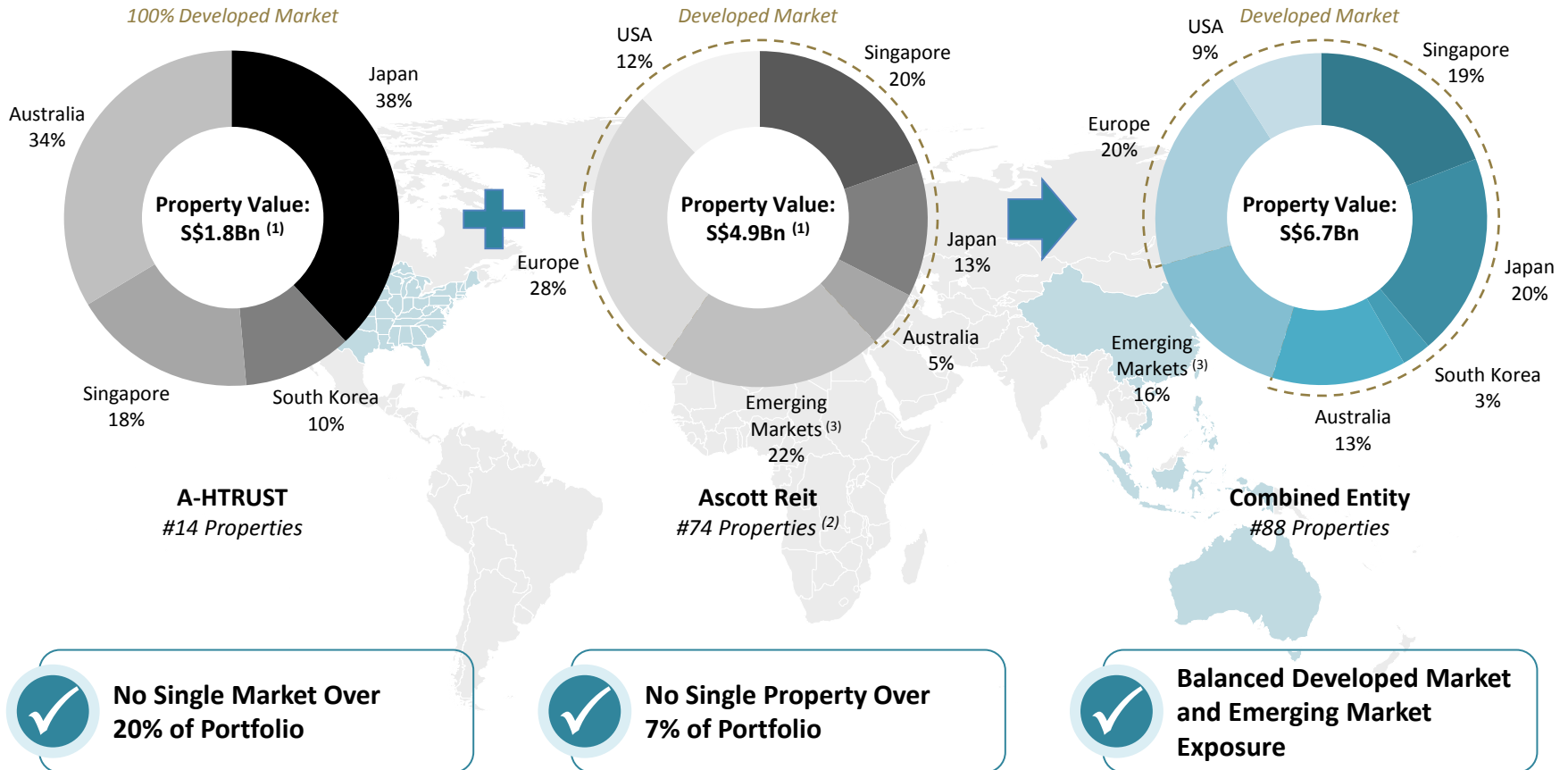


1.8% Accretion to Distribution per A-HTRUST Stapled Unit and NAV per A-HTRUST Stapled Unit Neutral

- Calculations computed for illustrative purposes only – not a forward looking projection. Key assumptions in preparing the pro forma financial effects include:
 - A-HTRUST Stapled Unitholders to receive in aggregate S\$61.8MM cash and 902.8MM Ascott Reit-BT Stapled Units
 - The pro forma financial effects are prepared based on A-HTRUST's audited financials for the year ended 31 March 2019 and Ascott Reit's audited financials for the year ended 31 December 2018
 - The Combined Entity to have payout ratio in line with Ascott Reit's historical payout ratio of 100%. The S\$5.1MM of distributable income withheld for working capital by A-HTRUST for the year ended 31 March 2019 is assumed to be distributed on pro forma basis. The Combined Entity to fund such distribution from existing cash balances
 - The cash component and transaction expenses are funded through debt facilities
 - Ascott Reit elects to waive 50% of its acquisition fee with respect to the Combination
 - Pro forma distribution per unit calculated by multiplying Combined Entity's pro forma distribution per unit by the exchange ratio of 0.836 and assuming the Cash Consideration is reinvested in the Combined Entity at the issue price of S\$1.30 per Ascott Reit-BT Stapled Unit
- Assumes transaction was completed on 1 April 2018
- Assumes transaction was completed on 31 March 2019
- Assumes write-off of premium over NAV and excluding transaction costs. Including transaction costs, pro forma NAV per A-HTRUST Stapled Unit would have been S\$1.01 implying a dilution of 0.7%

2 Enlarged and Diversified Portfolio to Enhance Resilience

Balanced Exposure of Developed / Emerging Markets



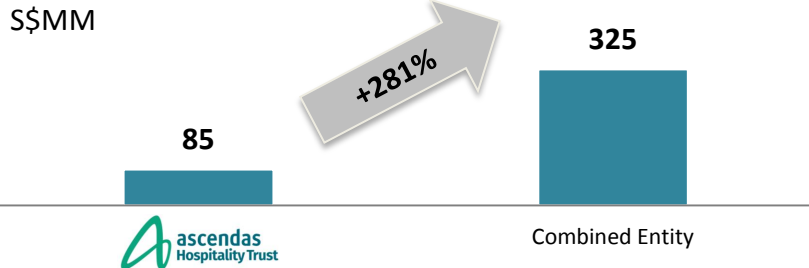
1. As at 31 March 2019 for A-HTRUST and 31 December 2018 for Ascott Reit
 2. Includes lyf one-north Singapore for Ascott Reit
 3. Emerging markets include China, Indonesia, Malaysia, the Philippines and Vietnam based on FTSE EPRA Nareit classification

2 Enlarged and Diversified Portfolio to Enhance Resilience (cont'd)

Gross Revenue ⁽¹⁾



Gross Profit ⁽¹⁾



Collection of Trusted and Well-Known Global Brands

Entity	Brands
A-HTRUST	<ul style="list-style-type: none"> Courtyard by Marriott ibis Novotel Mercure Park Hotel Pullman Sotetsu Grand Fresa Sunroute The Splaisir WBF
Ascott Reit	<ul style="list-style-type: none"> Ascott The Residence Citadines Apart'hotel Citadines Connect DoubleTree by Hilton Element Hotels lyf Quest Apartment Hotels Sheraton Somerset Serviced Residence The Crest Collection



Enlarged Size to Enhance Resilience

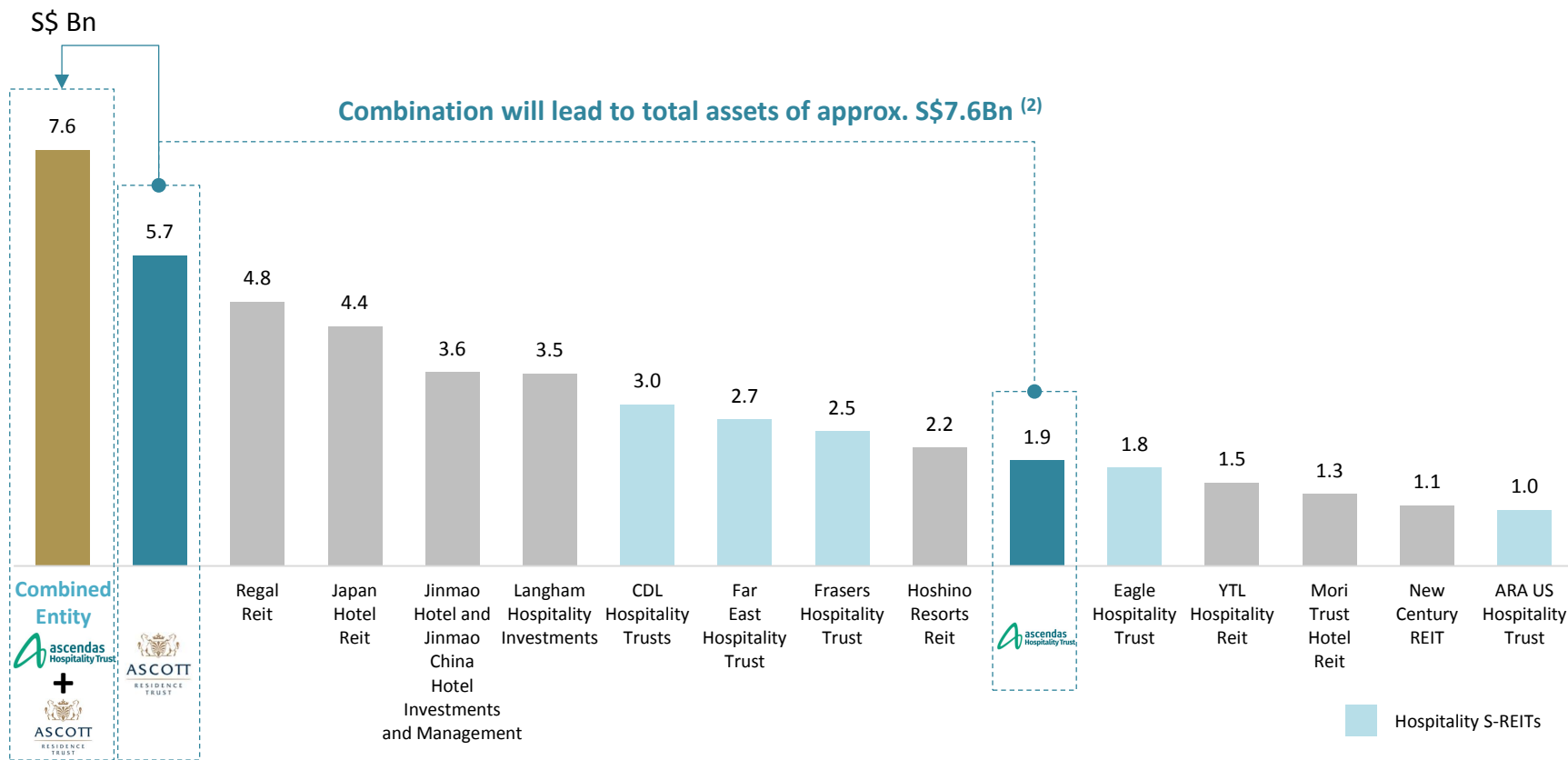


Collection of Trusted and Well-Known Global Brands Across Short-Stay and Long-Stay Segments

1. Based on A-HTRUST's and Ascott Reit's financials for the year ended 31 March 2019 and 31 December 2018 respectively

3 Participation in the Proxy Hospitality Trust in Asia Pacific

Total Assets (1)



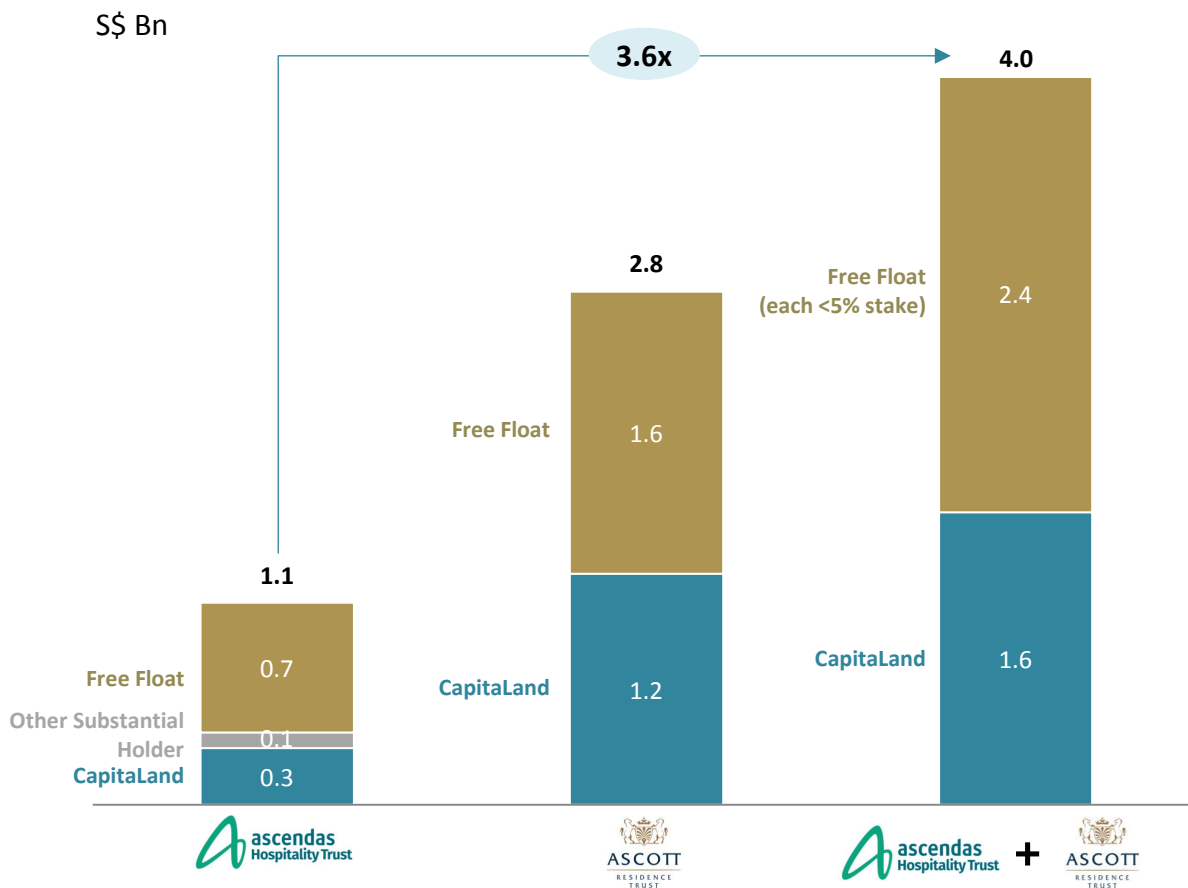
**Combined Entity is Expected to become the Largest Hospitality Trust in Asia Pacific
~2.5x Larger Than The Next Hospitality S-REIT**

Source: Bloomberg

1. Reflecting only hospitality trusts with total assets of at least S\$1.0 billion as at 28 June 2019. Assuming an exchange rate of S\$1 = US\$0.739 = HK\$5.771 = RMB5.077 = JPY79.61 = RM3.054 = A\$1.055 as at June 2019
2. Based on the combined assets of A-HTRUST and Ascott Reit as at 31 March 2019

3 Participation in the Proxy Hospitality Trust in Asia Pacific (cont'd)

Market Capitalisation & Free Float ⁽¹⁾⁽²⁾



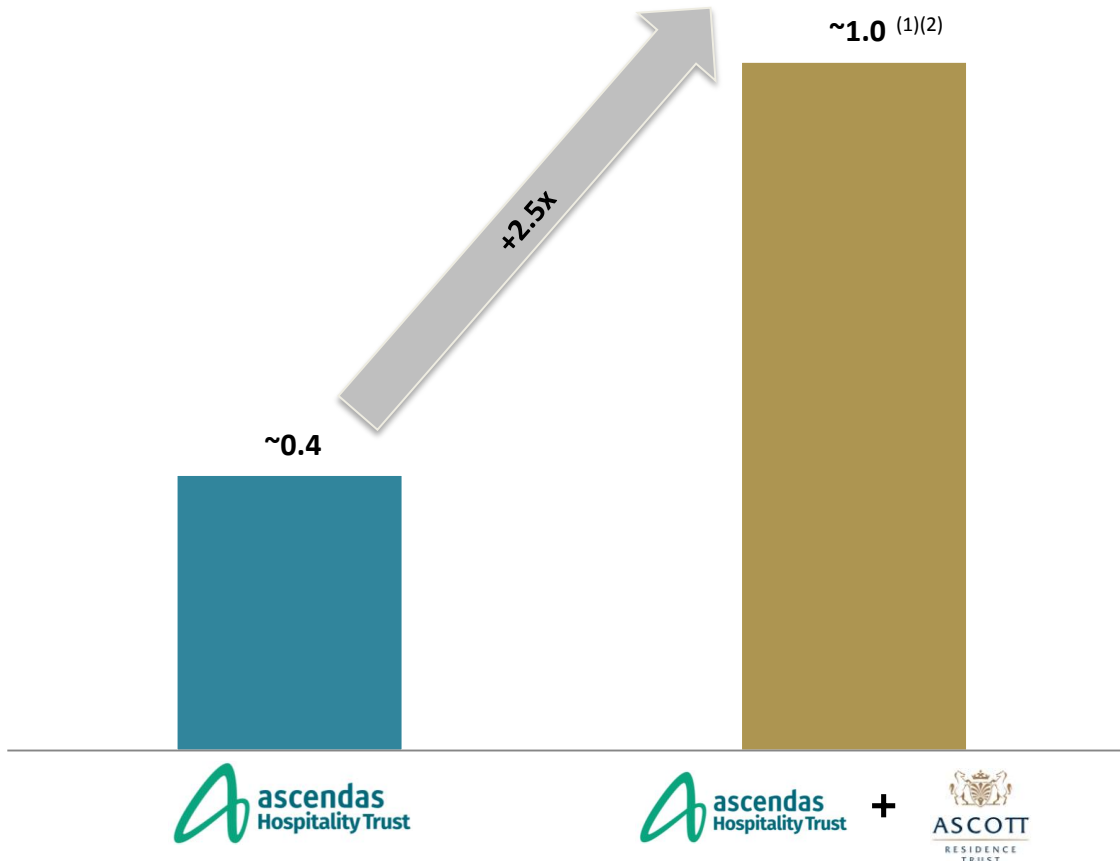
- ✓ Significant Increase In Market Capitalisation and Free Float
 - ✓ Larger Investor Base
 - ✓ Facilitate Index Inclusion
 - ✓ Potentially Greater Analyst Coverage
- Potential Positive Re-rating and More Competitive Cost of Capital

1. As at 2 July 2019
 2. Combined Entity market capitalisation based on approximately 3,086.3 million Ascott Reit-BT Stapled Units, using an issue price of S\$1.30 for each Ascott Reit-BT Stapled Unit issued as Consideration Units, and giving a free float of approximately 1,846.6 million Ascott Reit-BT Stapled Units (each <5% stake)

Increased Flexibility and Ability to Drive Growth

Capital Flexibility from Larger Debt Headroom for Future Growth

S\$ Bn



✓ **Enlarged Capital Base to Absorb Larger Transactions**

✓ **Enhanced Ability to Seize Potential Investment Opportunities** (Greater Speed and Flexibility)

✓ **Increased Capacity to Undertake Developments / Conversions**

Enhanced Flexibility and Ability of Combined Entity to Drive Long Term Growth for All Staped Unitholders

1. Based on an aggregate leverage limit of 45% under the Property Funds Appendix

2. Assumes transaction was completed on 31 March 2019. Computed based on the financial position of A-HTRUST and Ascott Reit as at 31 March 2019 and 31 December 2018 respectively and assumes that additional S\$85.1MM debt was drawn down to fund the cash component of the estimated total transaction costs

Benefit from Ascott's Owner-Operator Hospitality Platform

Support from Strong and Committed Sponsor

The Ascott Limited – Leading International Lodging Owner – Operator



Wholly-owned by CapitaLand – one of Asia's largest diversified real estate groups

175 Cities across 32 Countries

>106,000 ⁽¹⁾ Units in >695 Properties

Award Winning Properties (46 Awards in 2018)

Potential Benefits from Ascott's Operating Platforms and Brands



Ability to Leverage Ascott's Global Presence for Portfolio Expansion



Combined Entity to be CapitaLand's Sole Hospitality Trust



Access to Ascott Pipeline Properties via ROFR

1. Figures updated as at 30 June 2019 and includes A-HTRUST

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Approvals Required



A-HTRUST Stapled Unitholders' Approvals for the Combination

No.	Resolutions	Voting Majority
1.	<p>To amend the A-HTRUST BT trust deed, A-HTRUST REIT trust deed and A-HTRUST Stapling Deed to facilitate the implementation of the A-HTRUST Scheme</p>	<ul style="list-style-type: none"> • ≥75% votes
2.	<p>To approve the A-HTRUST Scheme</p>	<ul style="list-style-type: none"> • ≥75% votes; and • 50%+1 majority in number • ALI ⁽¹⁾ will abstain from voting

1. Refers to Ascendas Land International Pte Ltd.

Ascott Reit Unitholders' Approvals for the Combination

No.	Resolutions	Voting Majority
1.	<p>To amend Ascott Reit trust deed to incorporate provisions:</p> <ul style="list-style-type: none"> • to facilitate Ascott Reit stapling scheme; • customary to stapled trusts; and • relating to issue of new units as consideration 	<ul style="list-style-type: none"> • ≥75% votes
2.	<p>To approve Ascott Reit stapling scheme, including:</p> <ul style="list-style-type: none"> • the distribution in specie of the units in Ascott BT to the unitholders of Ascott Reit on a one-for-one basis; and • the entry into of the Ascott Reit stapling deed 	<ul style="list-style-type: none"> • ≥75% votes; and • 50%+1 majority in number
3.	<p>To approve A-HTRUST acquisition</p>	<ul style="list-style-type: none"> • 50%+1 votes • CL Entities ⁽¹⁾ will abstain from voting
4.	<p>To approve issue of new Ascott Reit-BT stapled units in consideration of A-HTRUST acquisition</p>	<ul style="list-style-type: none"> • 50%+1 votes • CL Entities ⁽¹⁾ will abstain from voting

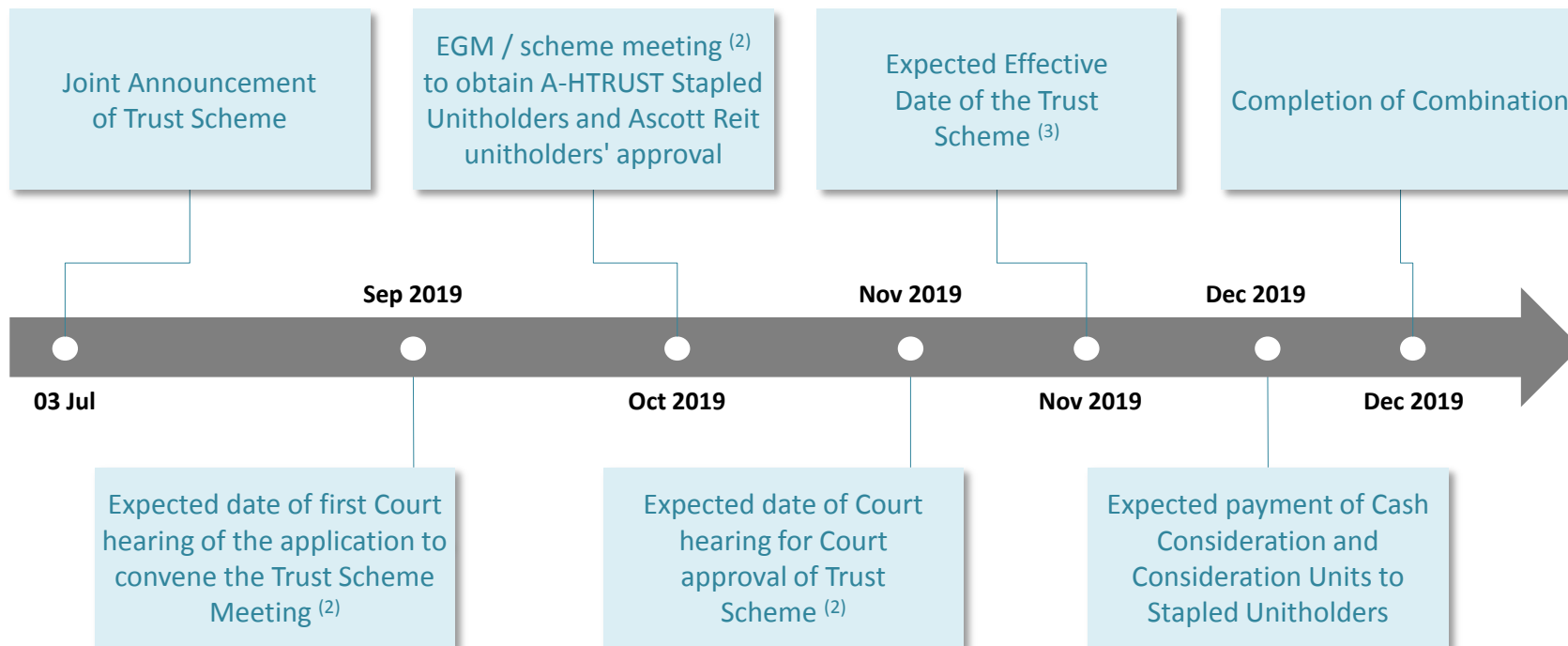
1. Refers to The Ascott Limited, Somerset Capital Pte Ltd and the Ascott Reit Manager

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Indicative Timeline

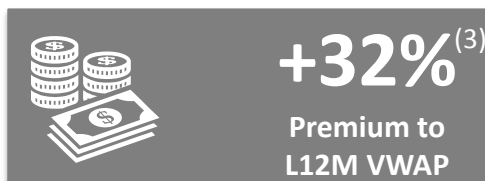
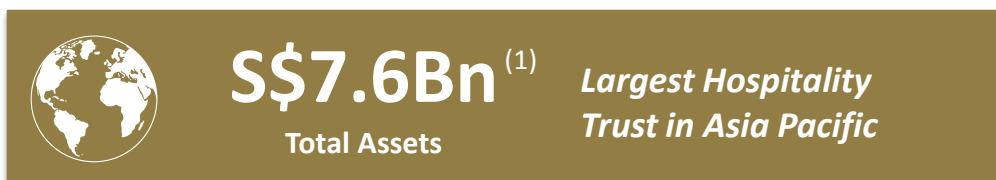


Indicative Combination Timeline (1)



1. The timeline above is indicative only and subject to change. Please refer to future SGXNET announcement(s) by the A-HTRUST Managers and / or the Ascott Reit Manager for the exact dates of these events
2. The dates of the Court hearings of the application to (a) convene the Trust Scheme Meeting and (b) approve the Trust Scheme will depend on the dates that are allocated by the Court
3. The Trust Scheme will become effective upon the lodgement of the Trust Scheme Court Order with the MAS or the notification to the MAS of the grant of the Trust Scheme Court Order, as the case may be, which shall be effected within 10 Business Days from the date the last Scheme Condition as set out in the joint announcement of the Combination dated 3 Jul 2019 has been satisfied or waived, as the case may be, in accordance with the terms of the Implementation Agreement

Conclusion



✓ Value Accretive to A-HTRUST Stapled Unitholders

✓ Enlarged and Diversified Portfolio to Enhance Resilience

✓ Participation in the Proxy Hospitality Trust in Asia Pacific

✓ Increased Flexibility and Ability to Drive Growth

✓ Benefit from Ascott's Owner-Operator Hospitality Platform

1. As at 31 March 2019
2. Includes 1yf one-north Singapore for Ascott Reit
3. VWAP with reference to 12 months up to and including 2 July 2019

Investor and Media Contacts

Investor Contact

Ascendas Hospitality Fund Management Pte. Ltd.

Ascendas Hospitality Trust Management Pte. Ltd.

Mr Chee Kum Tin, Senior Manager

Capital Markets & Investor Relations

Telephone: +65 6508 4927

Email: chee.kumtin@capitaland.com

Morgan Stanley Asia (Singapore) Pte.

Investment Banking Division

Telephone: +65 6834 6676

Media Contact

Ms Joan Tan, Group Communications

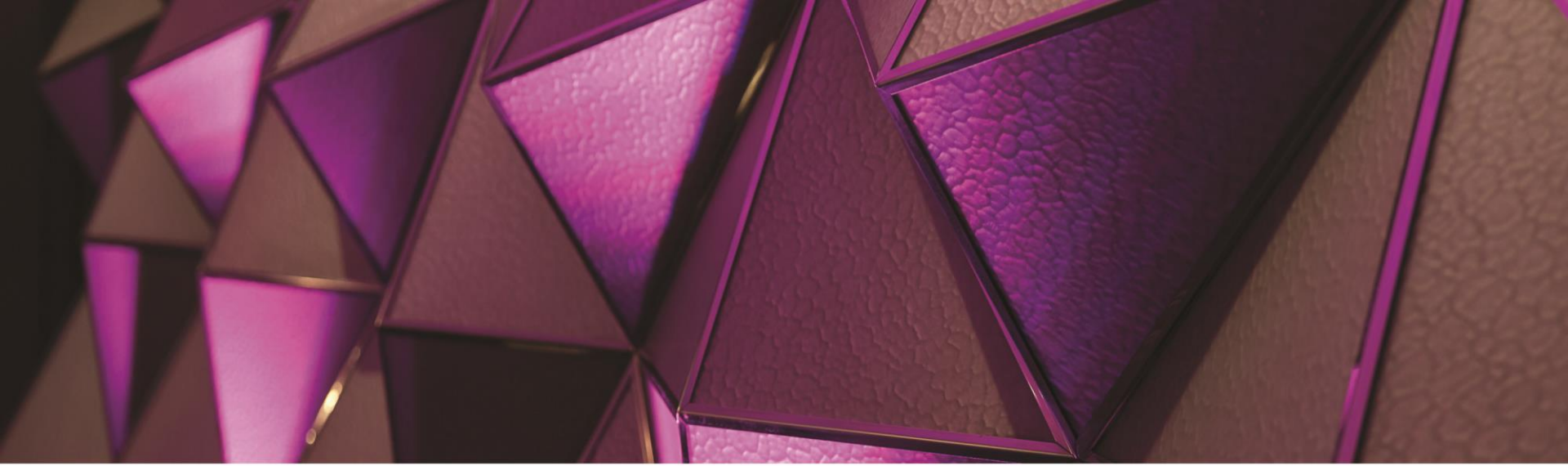
Telephone: +65 6713 2864

Email: joan.tanzm@capitaland.com

Ms Chen Meihui, Group Communications

Telephone: +65 6713 3676

Email: chen.meihui@capitaland.com



A Member of CapitaLand

**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
www.a-htrust.com**