

MORE THAN

A PLACE TO STAY

3Q FY2018/19 Financial Results Presentation

29 January 2019

Disclaimer

This presentation shall be read in conjunction with A-HTRUST's Unaudited Financial Results for the Third Quarter ended 31 December 2018 ("3Q 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, Japanese Yen, Korean Won and Singapore Dollar are defined herein as "AUD", "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.

CONTENTS

1. Financial Review
2. Portfolio Performance
3. Capital Management
4. Looking Ahead



1

Financial Review



Results Summary – 3Q FY2018/19

S\$' million	3 rd Quarter		Change ¹
	FY2018/19	FY2017/18	
Gross Revenue ²	50.1	52.8	(5.1)%
Net Property Income ²	23.2	23.2	0.0%
NPI Margin (%)	46.3	43.9	2.4pp
Income available for distribution	17.7	17.2	3.4%
Adjusted Income available for distribution ³	16.5	16.0	3.1%
DPS (cents) ³	1.45	1.41	2.8

- Contribution from new hotels made up for loss of NPI from the sale of China hotels
- Lower contribution from Australia portfolio exacerbated by weaker AUD against SGD

- Attributed to (i) the absence of due diligence costs incurred in the corresponding quarter last year in relation to a proposed acquisition which did not materialize and (ii) lower net finance costs

1. Save for DPS, percentage changes are based on figures rounded to nearest thousands.
2. Excluded contribution from the China portfolio, which was divested on 18 May 2018. Including contribution from the China portfolio, gross revenue and NPI for 3Q FY2017/18 were S\$58.1 million and S\$25.2 million, respectively.
3. Net of retention of distributable income for working capital purposes. Retention of distributable income was 7.2% and 7.0% for 3Q FY2018/19 and 3Q FY2017/18, respectively.

Results Summary – 3Q YTD FY2018/19

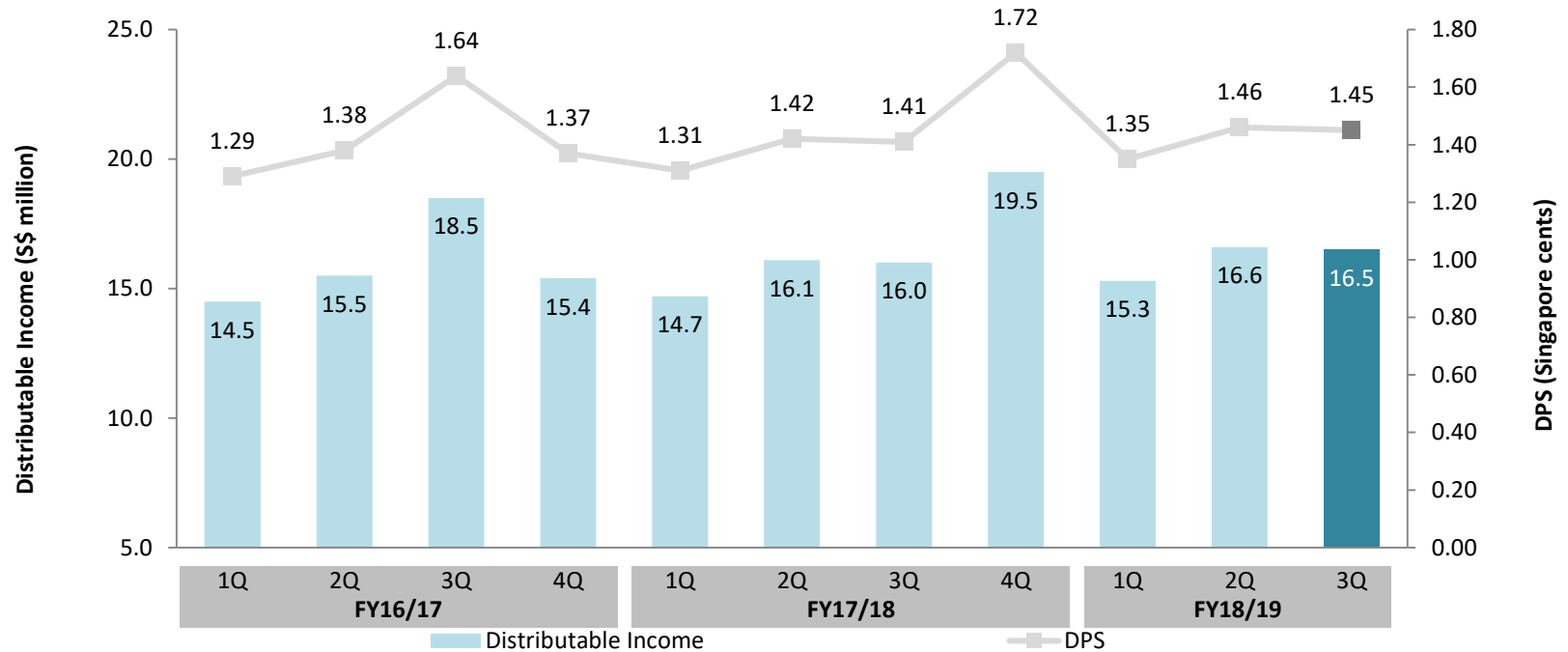
S\$' million	3Q YTD		Change ¹
	FY2018/19	FY2017/18	
Gross Revenue ²	141.4	153.5	(7.9)%
Net Property Income ²	62.4	65.3	(4.5)%
NPI Margin (%)	44.1	42.5	1.6pp
Income available for distribution	52.0	50.2	3.6%
Adjusted Income available for distribution ³	48.3	46.8	3.3%
DPS (cents) ³	4.26	4.14	2.9%

- Lower contribution from the Australia portfolio, exacerbated by depreciating AUD against SGD
- Partially offset improvement from Singapore hotel and contribution from newly acquired hotels

- Due to partial distribution of proceeds from divestment of China portfolio, lower net finance costs and expenses

1. Save for DPS, percentage changes are based on figures rounded to nearest thousands.
2. Excluded contribution from the China portfolio, which was divested on 18 May 2018. Including contribution from the China portfolio, gross revenue and NPI for 3Q YTD FY2018/19 were S\$144.8 million and S\$63.9 million, respectively, and gross revenue and NPI for 3Q YTD FY2017/18 were S\$170.0 million and S\$72.0 million, respectively.
3. Net of retention of distributable income for working capital purposes. Retention of distributable income was 7.1% and 6.8% for 3Q YTD FY2018/19 and 3Q YTD FY2017/18, respectively.

Distribution History



2

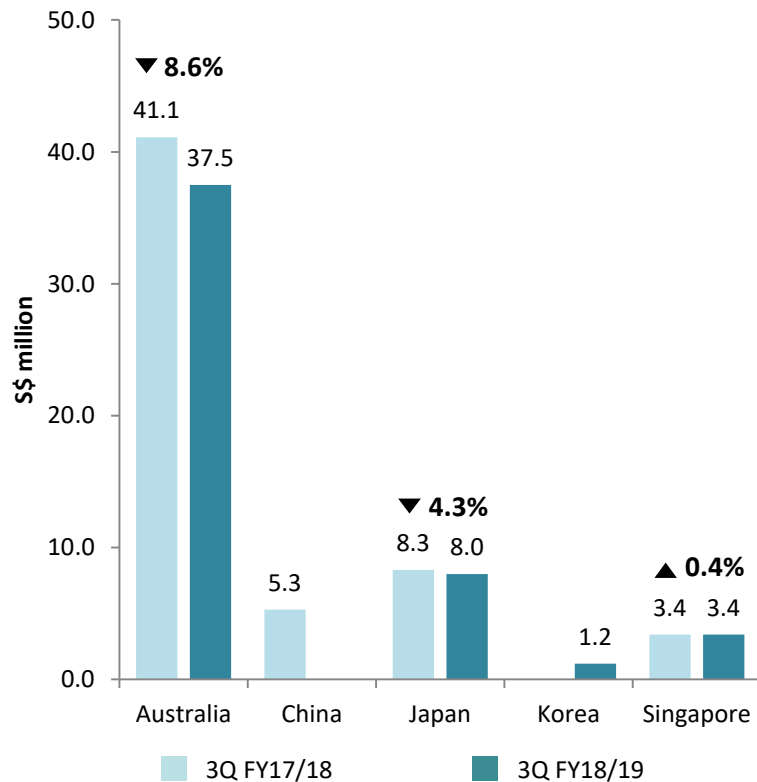
Portfolio Performance



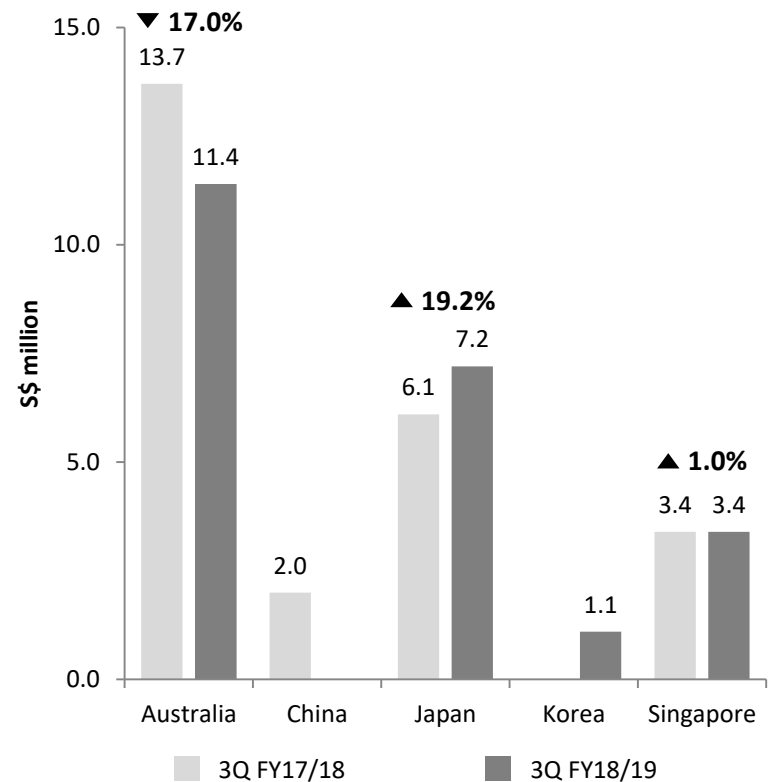
Performance by Country

- Weaker market conditions affected Australia portfolio, while AUD depreciated against SGD
- NPI contribution from new hotels made up for loss of NPI from the sale of China hotels

Gross Revenue



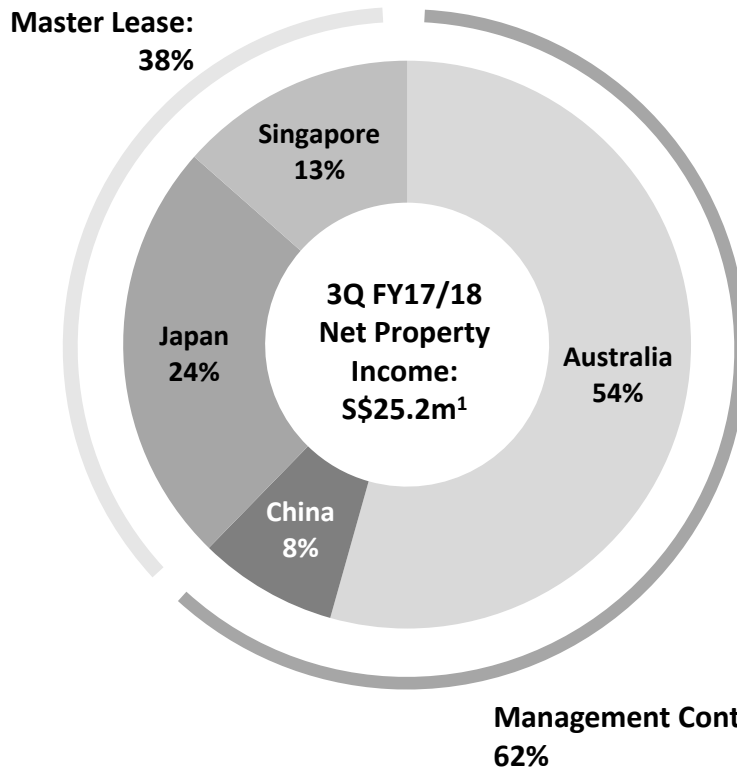
Net Property Income



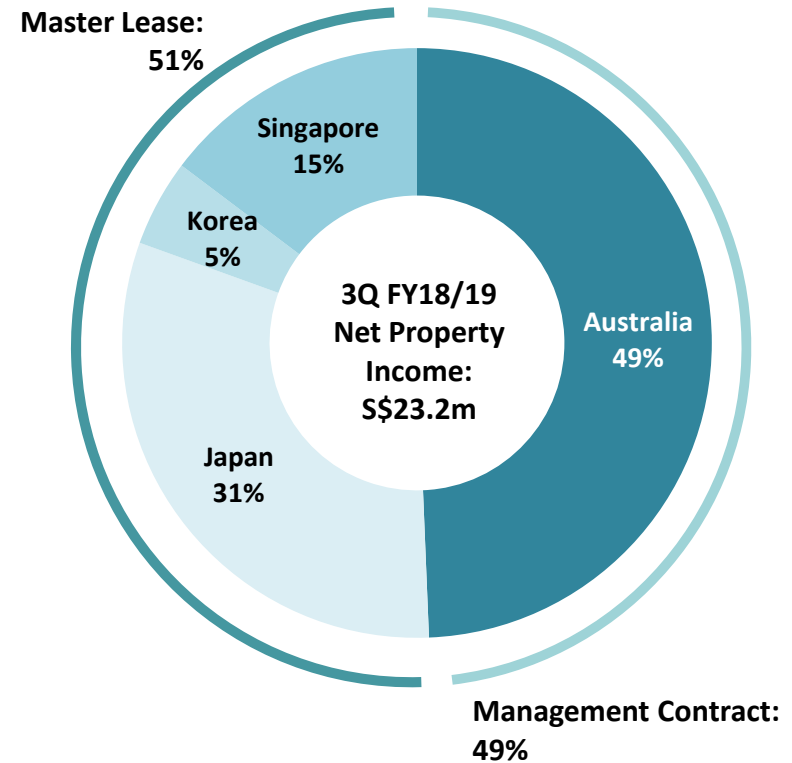
Balanced mix of income from different rent structure

- Proportion of income derived from hotels under master lease increased with contribution from newly acquired hotels in Seoul and Osaka (all on master leases) and divestment of the China portfolio (on management contract)

3Q FY17/18 Net Property Income



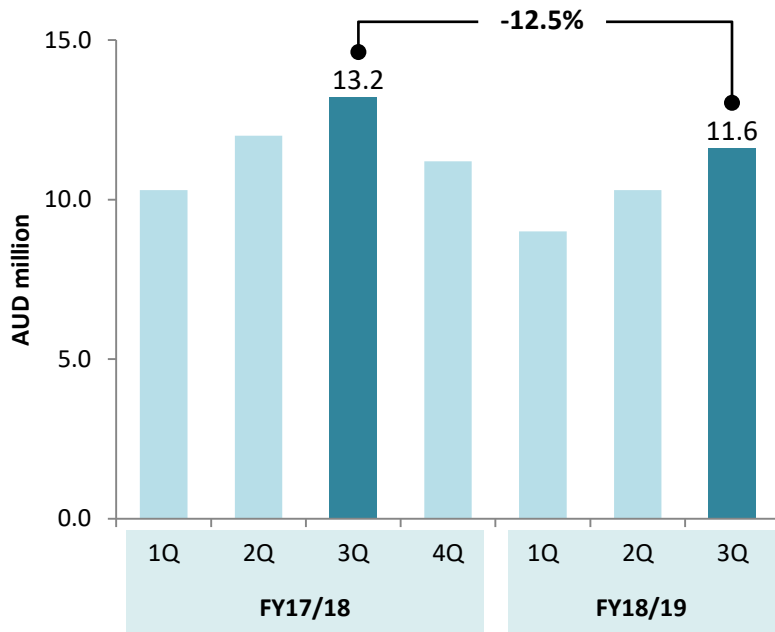
3Q FY18/19 Net Property Income



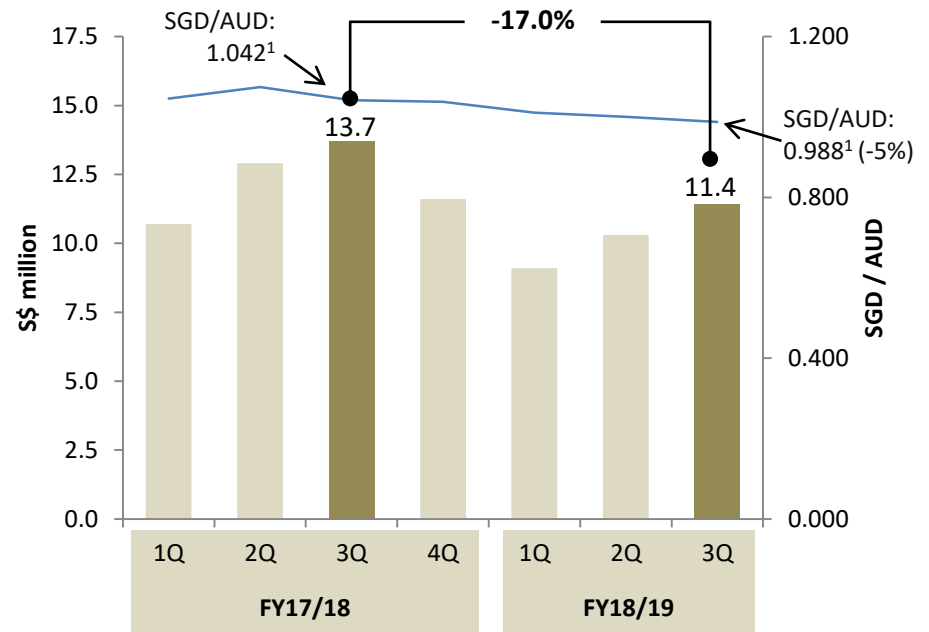
1. Included the contribution from the China portfolio, which was divested on 18 May 2018.

Australia portfolio - Softer markets

Net Property Income in AUD



Net Property Income in S\$

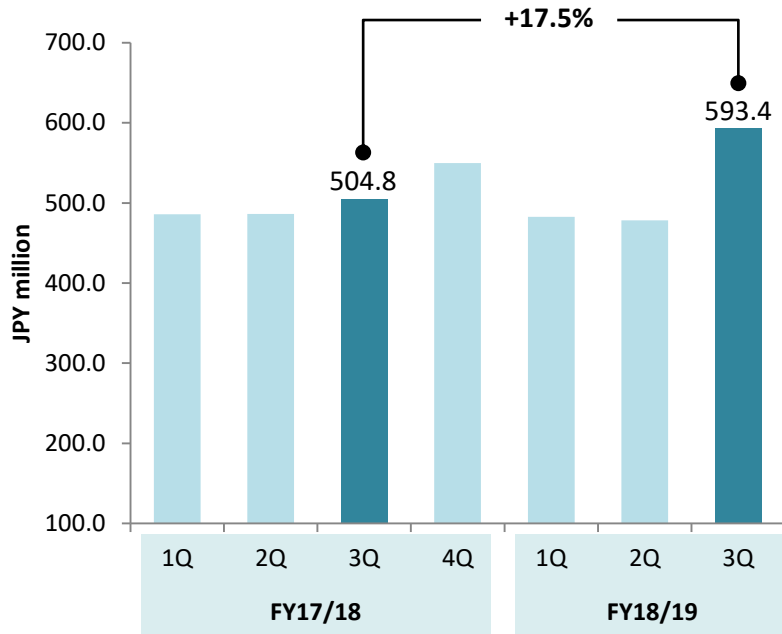


- Despite new supply of rooms, average occupancy rate for the A-HTRUST hotels in Sydney remained strong at close to 90%, but room rates were softer.
- Increased supply of rooms and soft conferences and events business have weighed on the performance of the hotels in Melbourne and Brisbane.
- Overall RevPAR for Australia portfolio in 3Q FY2018/19 declined by 3.8% y-o-y.

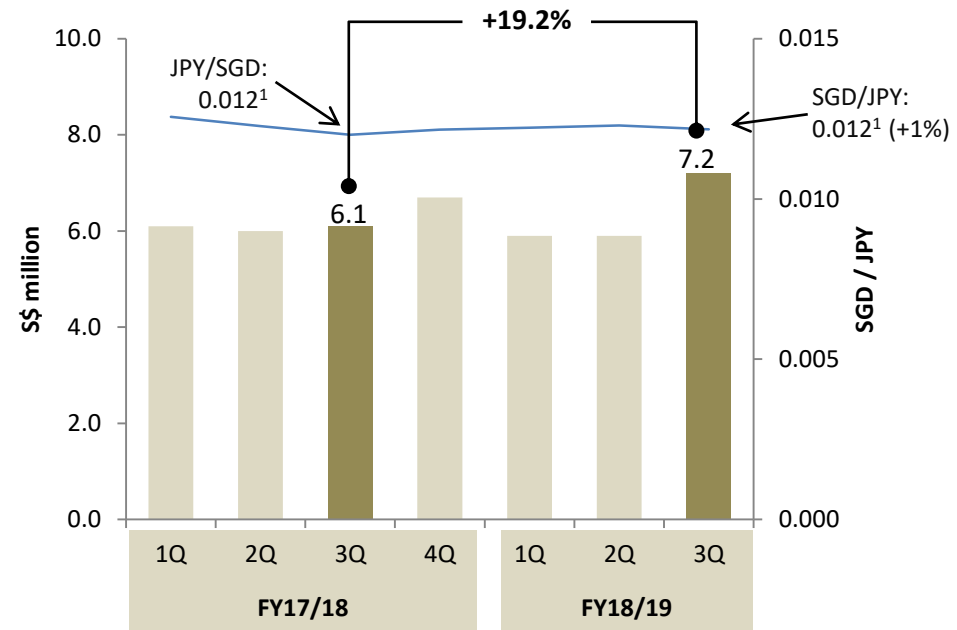
1. Based on average rate used for the respective quarter

Japan portfolio – Income contribution from new acquisitions

Net Property Income in JPY



Net Property Income in S\$



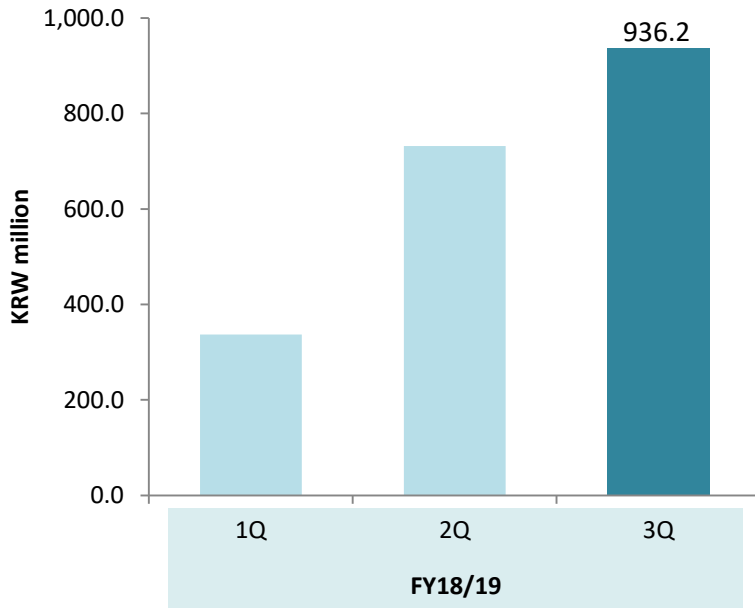
- The NPI contribution from Hotel Sunroute Osaka Namba and Hotel Sunroute Ariake was relatively stable
- RevPAR for the Japan portfolio was up by 2.8% y-o-y for 3Q FY2018/19².
- Hotel WBF Kitasemba East and Hotel WBF Kitasemba West contributed on full quarter basis, lifting the earnings from Japan portfolio

1. Based on average rate used for the respective quarter.

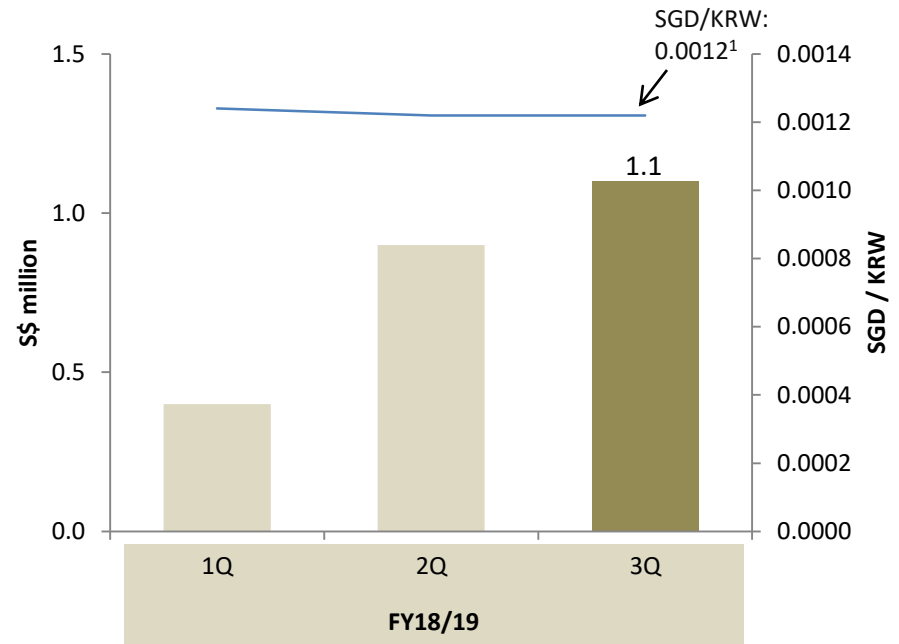
2. Excluding Hotel WBF Kitasemba East, Hotel WBF Kitasemba West and Hotel WBF Honmachi.

Korea portfolio – Acquisition boost earnings

Net Property Income in KRW



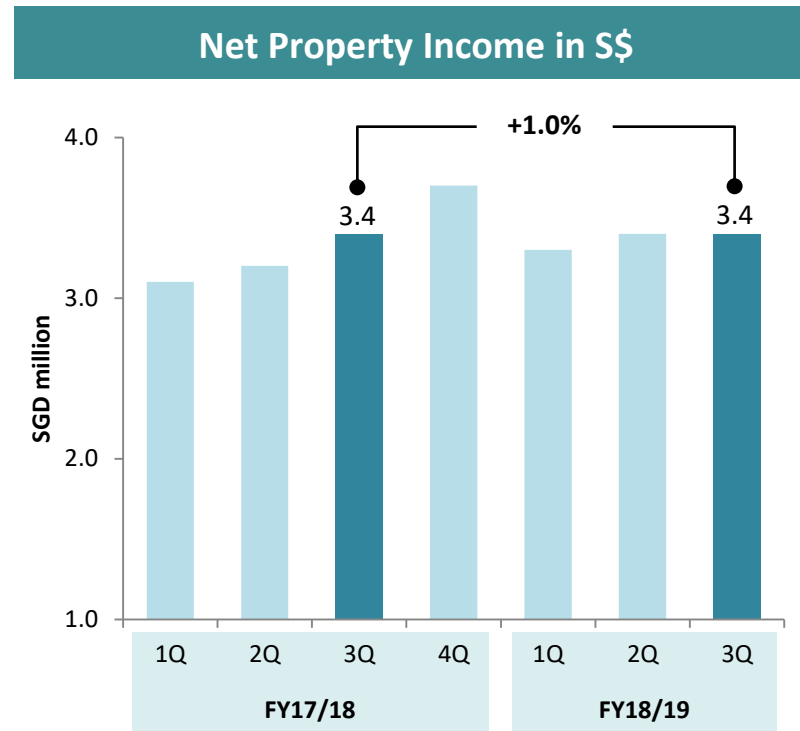
Net Property Income in S\$



- The Splaisir Seoul Dongdaemun posted another quarter of improved operating performance, as RevPAR improved by 16.6%, driven by both higher occupancy and room rates.
- Income from the Korea portfolio was also lifted by contribution from Ibis Ambassador Seoul Insadong following the completion of the acquisition on 12 December 2018.

1. Based on average rate used for the respective quarter.

Singapore portfolio – Stable performance



- Income from Park Hotel Clarke Quay for the quarter was stable.
- Underlying performance of the hotel continued to be steady as RevPAR for the quarter was relatively stable y-o-y.

Asset enhancement - Pullman & Mercure Brisbane King George Square



Refurbished F&B outlet at Pullman and Mercure King George Square

- The F&B outlet at Pullman and Mercure Brisbane King George Square reopened in December 2018 after it underwent a major refurbishment.
- The interior of the outlet was repositioned with a new concept to attract passers-by through an open access from the main street.

Inorganic growth - Keeping up the momentum

- During the quarter, A-HTRUST added Ibis Ambassador Seoul Insadong and Hotel WBF Honmachi to its growing portfolio of quality assets

18 May 2018
Divested China portfolio



- Substantial value realised
- Proceeds effectively recycled to grow and enhance portfolio

28 September 2018
Acquired Hotel WBF Kitasemba East and Hotel WBF Kitasemba West



- Freehold assets in a good location
- Master leases provide stable income

20 December 2018
Acquired Hotel WBF Honmachi



- Freehold asset in a good location
 - Master lease to provide stable income

21 May 2018
Acquired The Splasir Seoul Dongdaemun



- Freehold hotel at excellent location in improving market
- Potential upside from repositioning

12 December 2018
Acquired Ibis Ambassador Seoul Insadong



- Expand presence in improving market with a strategically located hotel
- Freehold hotel augment income stability through master lease

1 **Expected to be DPS accretive¹**

2 **Entry into growth market**

3 **Further diversification**

4 **Added income stability**

5 **Overall younger portfolio**

6 **>90% freehold properties**

1. On a pro forma basis based on FY2017/18 financials. Please refer to announcement dated 28 November 2018 on the acquisition of Ibis Ambassador Seoul Insadong for further information.

3

Capital Management



Healthy balance sheet

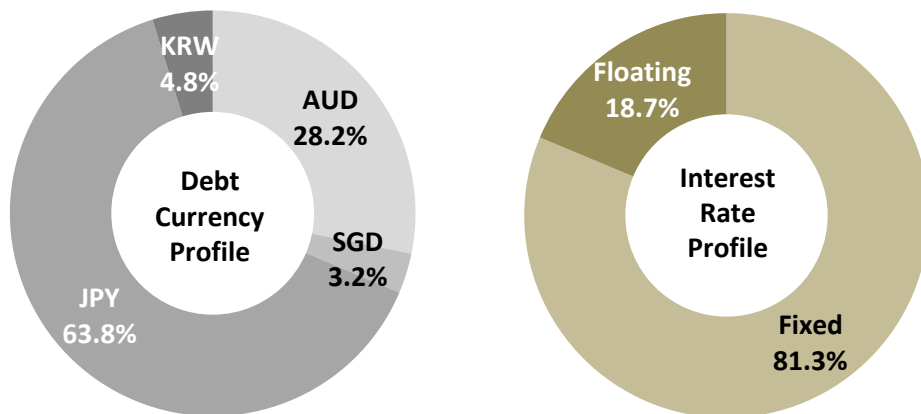
	As at 31 December 2018	As at 30 September 2018
Borrowings (S\$ m)	625.2	574.7
Total Assets (S\$ m)	1,891.1	1,864.3
A-HTRUST Gearing (%) ¹	33.1	30.8
- A-HREIT Gearing (%)	38.0	34.5
- A-HBT Gearing (%)	29.5	28.3
A-HTRUST Interest Cover (times) ²	8.5	5.5
Weighted average interest rate (%)	2.0	1.9
Weighted average debt to maturity (years)	3.8	4.0
Net asset value per stapled security (S\$)	0.98	1.00

1. Computed based on total debt over total assets.

2. Blended basis, computed based on earnings before interest, tax, depreciation and amortisation over interest expenses.

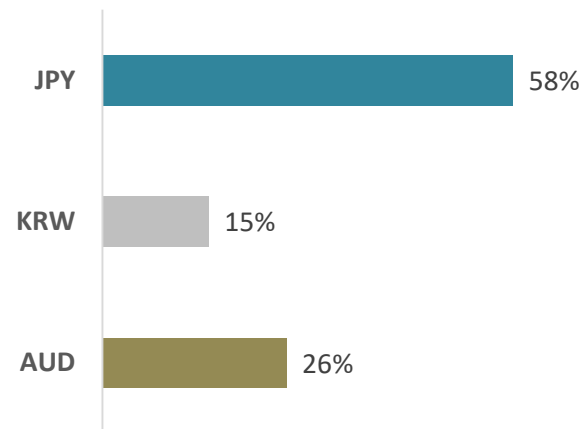
Balanced debt profile and prudent capital management

Debt Profile

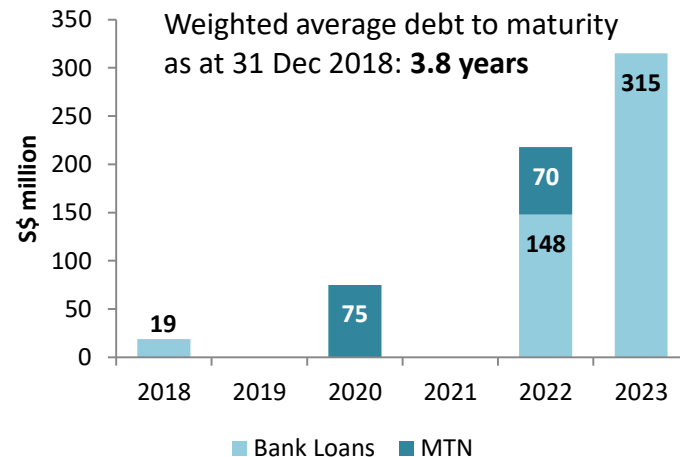


- Weighted average interest rate remains relatively low at 2.0%, with high proportion of loans on fixed rate.
- No significant refinancing requirements until 2020.

Balance Sheet Hedging



Debt Maturity Profile



4

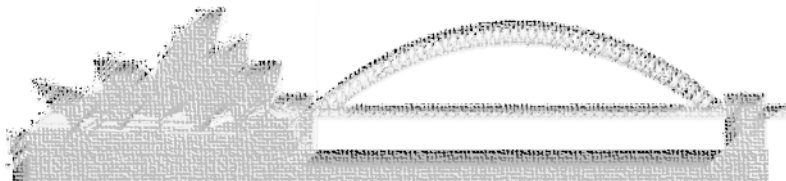
Looking Ahead



Australia



- The domestic travelling and inbound arrivals for Australia is expected to remain healthy in the near term as AUD remains relatively weak.
- While demand in the Sydney hotel market is expected to be strong in the near term, new supply is also expected to continue.
- Upcoming new supply of rooms in Melbourne will weigh on the hotel market, amidst intensified competition for C&E business. The Brisbane hotel market is poised for recovery as the new supply of rooms is expected to decline over the coming years.



Japan



- Despite enduring major earthquakes and typhoons in 2018, inbound arrivals into Japan remained resilient and the country welcomed a record 31.2 million visitors¹.
- The inbound arrivals are expected to continue the growth trend in the near term, and the 6-weeks Rugby World Cup 2019 to be held across 12 venues from September 2019 will boost the hotel market.
- Up to 1.8 million spectators are estimated to turn up for the tournament, including 400,000 from overseas².
- In 2019, a substantial supply of new rooms is expected to be added to the Osaka hotel market.

1. Source: Japan National Tourism Organization.

2. Source: The Economic Impact of Rugby World Cup 2019 by Rugby World Cup 2019 Organising Committee.

South Korea



- South Korea continued to see recovery in inbound arrivals which increased by 14.9% y-o-y to 14.0 million for YTD November 2018¹.
- Almost all its source markets posted growth over the same period, including key markets such as China, Japan, Taiwan and United States.
- With moderate new supply in Seoul over the medium term, the expected continual growth in inbound will drive the performance of the Seoul hotel market.

1. Source: Korea Tourism Organization

Singapore



- Singapore posted an increase in inbound arrivals of 6.6% y-o-y to 16.9 million for the period YTD November 2018¹.
- With limited new supply projected in the next few years, the performance of the hotel market is expected to continue its recovery trend in the short term.



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