

NEWS RELEASE

ASCOTT EXPANDS GLOBAL PRESENCE WITH 26 NEW PROPERTIES ACROSS 11 COUNTRIES

Steady rise in recurring fee income and enlarged asset size strategically position lodging business as a growing contributor to CapitaLand's earnings

Singapore, 15 July 2019 – CapitaLand's wholly owned lodging business unit, The Ascott Limited (Ascott), is accelerating its growth globally with the signing of 26 properties with over 6,000 units across 22 cities and 11 countries. The properties, which will open in phases from 2019 to 2023, are mostly signed under management contracts, with three on franchise agreements.

To date this year, Ascott has signed contracts for over 40 properties with more than 8,000 units, an increase of over 40% in units compared with the same period in 2018. Ascott has also opened 16 properties with over 2,000 units, a 70% increase in operational units compared with 2018.

Mr Kevin Goh, Ascott's Chief Executive Officer, said: "We are fast-expanding Ascott's global network of properties as we continue to pursue an asset-light business model to boost our recurring fee income. While we achieve strong momentum in expanding our global lodging business through strategic alliances, management contracts, franchise and leases, we are also accelerating the number of new property openings. For the first quarter this year, our operational units have contributed S\$59.7 million of fee income. We are targeting to open over 40 properties with about 8,500 units this year. For every 10,000 serviced residence units signed, we are expecting to earn approximately S\$25 million in fee income annually as the properties progressively open and stabilise. Through these growth strategies, we are looking forward to the fee income boost when we achieve our target of 160,000 units worldwide by 2023."

With the recent completion of the Ascendas-Singbridge transaction, CapitaLand through Ascott has become the sponsor of both Ascott Residence Trust (Ascott Reit) and Ascendas Hospitality Trust (A-HTRUST). Including the assets held under these two hospitality trusts, lodging assets¹ under CapitaLand are valued at S\$31 billion, equivalent to 25% of the Group's total assets under management. An announcement proposing to combine the two trusts has been made on 3 July 2019.

Mr Goh said: "The combination of Ascott Reit and A-HTRUST is a win-win for both unitholders as the combined entity will be Asia Pacific's largest hospitality trust with an asset value of S\$7.6 billion, making it a lot more attractive to investors. A larger investment entity

¹ Include operating and pipeline properties owned/managed, as well as estimates of third-party owned assets in various stages of development.

tends to trade better, as well as enjoy higher liquidity and greater cost efficiency. The combined entity will also have greater financial flexibility to seek more accretive acquisitions and value enhancements. Ascott as a sponsor can focus on growing and injecting our lodging assets into a single hospitality trust, and recycle capital into new development opportunities. At the same time, Ascott will continue to benefit and participate in the future growth of these quality assets through our sponsored stake in the trust.”

The majority of the 26 new properties are in Asia Pacific, which continues to see strong demand for lodging in tandem with lower cost of travel, improving travel infrastructure and middle-class demographics’ growing disposable income and aspiration to travel. By 2022, global lodging sales are forecast to reach US\$812 billion, with Asia Pacific remaining the second largest market². International tourist arrivals continue to be driven by stronger economic growth, more affordable air travel and a better visa regime³.

With these new properties, Ascott has made inroads into six new cities across Asia Pacific, Central Asia and Africa. It has forayed into Atyrau in Kazakhstan, Nairobi in Kenya, Yokohama in Japan, Seongnam in South Korea, as well as Cam Ranh and Hoi An in Vietnam. Ascott has also expanded its presence in 14 cities – Melbourne and Sydney in Australia; Chengdu, Dongguan, Guangzhou, Shanghai, Shenzhen, Wuhan and Xi’an in China; Bogor and Jambi in Indonesia; Cyberjaya in Kuala Lumpur; Cebu in the Philippines; and Bangkok in Thailand.

To cater to the burgeoning middle-class segment in the region, Ascott expanded its select-service business hotel brand Citadines Connect to Bangkok in Thailand, after Sydney in Australia and New York in the USA. Ascott also brought the hotel brands under TAUZIA, which it has a majority stake in, to countries such as Malaysia and Vietnam, beyond its predominantly Indonesia market. Ascott also signed its fifth Citadines property under its strategic alliance with Nasdaq-listed Huazhu Hotels Group (Huazhu) and Huazhu’s subsidiary CJIA Apartments Group.

In addition to expanding its global footprint, Ascott is strengthening its international marketing network with Ascott Star Rewards – the world’s first loyalty programme in the serviced residence industry to offer full flexibility to earn and redeem points. Member bookings have quickly tripled since the loyalty programme was launched in April 2019. Members of Ascott Star Rewards have a greater choice of properties across the globe as Ascott has opened 16 properties this year, with more than 30 properties scheduled to open for the rest of 2019. Ascott is also gearing up for the opening of its flagship coliving ‘lyf’ property – lyf Funan Singapore – in the city-state’s Civic and Cultural District in September 2019.

Please refer to Annex for the details of some of the new properties added to Ascott’s portfolio.

² “Trends in Global Travel and Lodging 2018” (2018), Euromonitor International

³ “International Tourism Results 2018 and Outlook 2019” (2019), World Tourism Organization

About The Ascott Limited

The Ascott Limited is a Singapore company that has grown to be one of the leading international lodging owner-operators. Ascott's portfolio spans 180 cities across over 30 countries in Asia Pacific, Central Asia, Europe, the Middle East, Africa and the USA.

Ascott has more than 64,000 operating units and over 48,000 units under development, making a total of more than 112,000 units in over 700 properties.

The company's serviced residence and hotel brands include Ascott, Citadines, Citadines Connect, Somerset, Quest, The Crest Collection, lyf, Préférence, Vertu, Harris, Fox, Yello and POP!.

Ascott, a wholly owned subsidiary of CapitaLand Limited, pioneered Asia Pacific's first international-class serviced residence with the opening of The Ascott Singapore in 1984. Today, the company boasts over 30 years of industry track record and award-winning brands that enjoy recognition worldwide.

Ascott's achievements have been recognised internationally. Recent awards include World Travel Awards 2019 for 'Leading Serviced Apartment Brand' in Europe and the Middle East; DestinAsian Readers' Choice Awards 2019 for 'Best Serviced Residence Brand'; TTG China Travel Awards 2019 for 'Best Serviced Residence Operator in China'; World Travel Awards 2018 for 'Leading Serviced Apartment Brand' in Asia, Europe and the Middle East; Business Traveller Asia-Pacific Awards 2018 for 'Best Serviced Residence Brand'; Business Traveller UK Awards 2018 for 'Best Serviced Apartment Company' and Business Traveller China Awards 2018 for 'Best Luxury Serviced Residence Brand'. For a full list of awards, please visit <https://www.the-ascott.com/ascottlimited/awards.html>.

About CapitaLand Limited

CapitaLand Limited (CapitaLand) is one of Asia's largest diversified real estate groups. Headquartered and listed in Singapore, it owns and manages a global portfolio worth over S\$103 billion⁴ as at 31 March 2019. CapitaLand's portfolio spans across diversified real estate classes which includes commercial, retail; business park, industrial and logistics; integrated development, urban development; as well as lodging and residential. With a presence across more than 200 cities in over 30 countries, the Group focuses on Singapore and China as its core markets, while it continues to expand in markets such as India, Vietnam, Australia, Europe and the USA.

CapitaLand has one of the largest real estate investment management businesses globally. It manages eight listed real estate investment trusts (REITs) and business trusts as well as over 20

⁴ CapitaLand's assets under management is over S\$123.4 billion with the completion of its acquisition of Ascendas-Singbridge by end June 2019.

private funds. Since it pioneered REITs in Singapore with the listing of CapitalLand Mall Trust in 2002, CapitalLand's REITs and business trusts have expanded to include Ascendas Reit, CapitalLand Commercial Trust, Ascott Residence Trust, CapitalLand Retail China Trust, Ascendas India Trust, CapitalLand Malaysia Mall Trust and Ascendas Hospitality Trust.

Visit www.capitaland.com for more information.

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ANNEX: HIGHLIGHTS OF ASCOTT'S NEWLY SECURED PROPERTIES

CHINA

Citadines Optical Valley Wuhan (Opening in 2020)

武汉馨乐庭光谷里公寓酒店

Citadines Optical Valley Wuhan is located in the Optics Valley of China, a high-tech development zone, with universities in the vicinity. It is a 20-minute drive from the Wuhan Railway Station, a 50-minute drive from Hankou Station and an hour drive from Tianhe Airport. The nearest subway station is Huanglongshan Road Station on Line 2, which is a 20-minute walk away. The property's 160 units, which comprise mostly studio apartments, will cater to business travellers, tech professionals and tertiary students in the area. Its facilities include a gymnasium, breakfast lounge, laundry rooms, and meeting area. Citadines Optical Valley Wuhan is the fifth property secured under Ascott's strategic alliance with Nasdaq-listed Huazhu Hotels Group (Huazhu) and Huazhu's subsidiary CJIA Apartments Group.

Somerset Hongkou Shanghai (Tentative name) (Opening in 2020)

上海盛捷虹口服务公寓

Somerset Hongkou Shanghai is strategically located in the business hub of Hongkou District in Shanghai. It is situated along Sichuan North Road and near the historic, cultural street at Duolun Road. The 209-unit serviced apartment, which offers one-bedroom and two-bedroom apartments, is part of an integrated development. Facilities such as restaurants, children's play areas, gymnasium, sauna steam room, and residents' lounge are available. The serviced residence provides good views of the park. It is about 400 metres away from Metro Lines 4 and 10, and a short walk from the North Bund, People's Square and Huaihai Road Business District. It is a 10-minute drive to the Central Business District in Lujiazui. With the surrounding business districts, Somerset Hongkou Shanghai will enjoy a ready catchment of working professionals and business travellers.

Somerset Changan Dongguan (Opening in 2021)

东莞盛捷长安服务公寓

Somerset Changan Dongguan is within walking distance from the town government in Dongguan, one of the cities in China's Greater Bay Area, which is earmarked for transformation into a global economic powerhouse. The serviced residence is a 35-minute drive to the Shenzhen Airport, and a 25-minute drive to the Shenzhen International Convention and Exhibition Center, the world's largest convention and exhibition centre. It offers 180 studio and one-bedroom apartments, along with facilities including a restaurant, gymnasium, sauna and steam room, as well as jacuzzi.

Tujia Somerset Bao'an Shenzhen (Tentative name) (Opening in 2021)

深圳途家捷宝安服务公寓

Tujia Somerset Bao'an Shenzhen is located in the core area of Bao'an District of Shenzhen, one of the cities in China's Greater Bay Area. More than 2,300 manufacturing companies, including over 300 multinational corporations, have set up offices or factories in the vicinity. It is part of an integrated development that also comprises Somerset Shajing Center Shenzhen. The property is near Shajing Subway Station, a 30-minute drive from Shenzhen International Airport and a 20-minute drive from Shenzhen World Exhibition and Convention Center, one of the world's largest convention centres. The 336-unit serviced residence will offer a range of studio and one-bedroom apartments, as well as facilities such as a gymnasium and residents' lounge.

Ascott Qinhuang Chengdu (Opening in 2022)

成都雅诗阁秦皇服务公寓

Ascott Qinhuang Chengdu is located within the Central Business District of Chengdu's Tianfu New Area, which is also home to finance and commercial companies and headquarters as well as transportation hub. The serviced residence will be connected to Metro Line 6 and adjacent to Metro Line 18, with both lines expected to be up and running by 2020. It will be a 30-minute drive to Tianfu New Airport. A 10-minute walking distance from Western China International Expo City, Ascott Qinhuang Chengdu is surrounded by Tianfu Ecological City and Luxi River Ecological Park. The serviced residence will offer 294 apartments ranging from studio to three-bedroom units, including penthouse suites. It will also be equipped with facilities such as a sky pool, gymnasium, residents' lounge, restaurant, golf room, meeting room, multimedia room, and children's play area.

Citadines GKC Guangzhou (Opening in 2022)

广州馨乐庭知识城服务公寓

Citadines GKC Guangzhou is strategically located in the Sino-Singapore Guangzhou Knowledge City and next to the subway station Hetangxia Station. With the planned construction of the Airport Express Metro Line and the Guangzhou-Dongguan-Shenzhen Intercity Railway, Citadines GKC Guangzhou will provide easy access to the future airport, Guangzhou East Railway Station and Tianhe Central Business District. The serviced residence will offer 200 units, ranging from one- to two-bedroom apartments. It will also be equipped with a breakfast room, gymnasium, yoga room and tennis court. As a key strategic cooperation project between China and Singapore, Sino-Singapore Guangzhou Knowledge City has many prominent enterprises such as Tessa Biomedical China Headquarters, GE Biotechnology Park, Alibaba Big Data Center, China Mobile South China R&D Base, and Siemens. In addition, top international scientific research institutions including the Cancer Center of Sun Yat-sen University are nearby.

Somerset Chanba Xi'an (Opening in 2022)

西安盛捷沪灞思普瑞服务公寓

Somerset Chanba Xi'an is located in Fuxin Commercial Development Zone, a 30-minute drive from the Terracotta Warriors Museum, a renowned tourist attraction. The property is surrounded by three international exhibition centres and scenic spots such as Bahe River and Xi'an Expo Park, as well as companies such as Amazon Web Services and Tencent Cloud Computing Center. It is also in the vicinity of the Eurasian Industrial Park and Xi'an Consulate General. Somerset Chanba Xi'an will offer 160 apartments, including studio, one-bedroom and two-bedroom units. It has a variety of facilities such as restaurant, gymnasium, jacuzzi and meeting rooms.

KAZAKHSTAN

Somerset City Centre Atyrau (Opening in 2020)

Somerset City Centre Atyrau is Ascott's first property in Atyrau, the oil and energy capital of Kazakhstan. The serviced residence has a central location on the European side of Kazakhstan, close to the Ural River and within walking distance of commercial buildings, an array of restaurants and shops, as well as Baazaar Mall. Standing at 11 storeys high, the serviced residence will provide an excellent view of the bustling Satpayev Street. Numerous domestic and international companies are also in the vicinity while Atyrau International Airport is a 15-minute drive away. The 147-unit serviced residence will comprise a mixture of studio, one-, two- and three-bedroom apartments. Facilities include a residents' lounge, indoor swimming pool, Turkish bath, sauna, steam rooms and a gymnasium. Located at the crossroads of Europe and Asia, Atyrau is known as the oil and energy capital of Kazakhstan with global oil and gas companies including Chevron, Royal Dutch Shell, Agip KCO and ExxonMobil.

INDONESIA

Somerset Samator Surabaya (Opening in 2020)

Somerset Samator Surabaya offers 121 units ranging from one- to three-bedroom duplex apartments. The serviced residence enjoys a prime location with proximity to high-end shopping haven Galaxy Mall and Rungkut Industrial Estate, the largest industrial estate in the city. Facilities include a residents' lounge, swimming pool, meeting rooms, fitness centre, breakfast lounge, all-day dining, children's playroom, and common launderette. Shuttle services are also available.

HARRIS Jambi (Opening in 2020)

Conveniently located in the heart of Jambi's entertainment and business district, HARRIS Jambi is a 20-minute drive from Sultan Thaha Airport, and only minutes away from popular shopping and culinary destinations.

"we define global living"

Designed for both business or leisure, the hotel features 180 spacious rooms and boasts various dining and recreational facilities such as a HARRIS Cafe, Chinese cuisine restaurant, meeting rooms, ballroom, swimming pool, spa & reflexology centre, and gymnasium.

HARRIS Bogor (Opening in 2021)

Situated in the heart of Bogor, HARRIS Bogor is only minutes away to many local attractions, making it a perfect choice to enjoy a weekend break or family trip. The hotel is a five-minute drive to Bogor Botanical Garden, a 10-minute drive to the local culinary centre and Botani Square mall at Pajajaran area, and many others.

It has a variety of facilities which encourage a healthy lifestyle. It will offer the HARRIS Cafe, spa & reflexology centre, Dino Kids Club, and swimming pool along with 144 spacious HARRIS rooms and 10 villas.

MALAYSIA

FOX Lite DPulze Cyberjaya (Opening in 2019)

Located in Cyberjaya of Malaysia, FOX Lite DPulze Cyberjaya is part of an integrated development which also comprises Ascott's serviced residence Citadines DPulze Cyberjaya, a shopping mall, serviced office, and residential components. The 162-room hotel is expected to enjoy strong demand from the corporate and government sectors in Cyberjaya and Putrajaya, Malaysia's IT hub and Federal Administrative Centre. Multinational corporations such as BMW, Dell, Hewlett Packard, HSBC, Motorola, Shell and Fujitsu, are located within walking distance.

SOUTH KOREA

Somerset Central Bundang (Opening in 2020)

Somerset Central Bundang is Ascott's first property in Seongnam. Well-located in the Central Business District of Bundang, one of South Korea's wealthiest and most developed areas, Somerset Central Bundang is a three-minute walk to Seohyun subway station, and a 20-minute by subway to Gangnam. The 206 units in the serviced residence comprises studio deluxe and one-bedroom premier suites. The freehold property will offer facilities such as a residents' lounge, restaurant and function rooms. Pangyo Techno Valley, which is the Silicon Valley of Korea and an industrial complex focusing on information technology, biotech, cultural technology and fusion technology, is a 10-minute drive away. Two other Pangyo Techno Valleys in the vicinity are slated for completion in 2019 and 2022 respectively. The business district, shopping malls, international schools, medical facilities and entertainment venues, are all within walking distance or a short drive from Somerset Central Bundang. Nearby places of interest include the Central Park, Sangnoksu Square, and Seongnam Arts Center.

THAILAND

Citadines Connect Thonglor Bangkok (Opening in 2022)

Citadines Connect Thonglor Bangkok will be Ascott's second Citadines Connect business hotel in Asia Pacific. Located close to the BTS Thonglor Station, the 170-unit select-service hotel comes with a rooftop garden, gymnasium and an infinity pool overlooking the city's skyline. With easy access to shopping malls, restaurants, office buildings, trendy cafes and entertainment outlets, the hotel will cater to highly mobile corporate and leisure travellers.

VIETNAM

Citadines Pearl Hoi An (Opening in 2019)

Nestled in the heart of Hoi An Beach Ecotourism Area, Citadines Pearl Hoi An is Ascott's first property in Hoi An. It is a 30-minute drive to Da Nang International Airport and a 15-minute drive to Hoi An Ancient Town, a UNESCO World Heritage Site. The Danang Golf Club and top beach destinations are in the vicinity. Targeted at the leisure segment, it offers 582 units comprising hotel rooms, studio, and one- to three-bedroom serviced apartments. It also has a retail component with over 120 outlets as well as a cinema. With direct access to the beach, the property features a grand lobby, an all-day dining outlet, meeting room, fitness centre as well as an outdoor swimming pool with a pool bar.

Somerset Cam Ranh Bay (Opening in 2022)

Vertu Cam Ranh Bay (Opening in 2022)

Located in the heart of the Northern Cam Ranh Peninsula tourism area, both Somerset Cam Ranh Bay and Vertu Cam Ranh Bay are integrated in a development. Guests of both properties will get to enjoy facilities such as a Santorini themed park, gymnasium, ballroom, meeting rooms, restaurants, and swimming pools. Surrounded by an array of retail, dining and entertainment outlets, the properties are close to the Central Business District and a five-minute drive to Camh Ranh Airport.

Somerset Cam Ranh Bay is Ascott's first serviced residence in Cam Ranh City. The 230-unit property offers a variety of studio, one-bedroom, two-bedroom and three-bedroom apartments.

On the other hand, Vertu Cam Ranh Bay offers 598 hotel rooms and suites. The property is a first Vertu-branded hotel under TAUZIA's portfolio in Vietnam. TAUZIA is a member of Ascott with presence in Indonesia, Malaysia and Vietnam.