



Ascott Residence Trust

SGX-CS Real Estate Day

27 September 2021

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Content

- Overview of Ascott Residence Trust
- COVID-19 Situational Update
- Performance Highlights
- Portfolio Updates
- Capital Management
- Outlook & Prospects
- Appendix: Other Performance Updates

Overview of Ascott Residence Trust

A Leading Global Hospitality Trust

Constituent of FTSE EPRA Nareit Global Developed Index



\$7.3b

Total Assets
as at 30 June 2021

>16,000¹

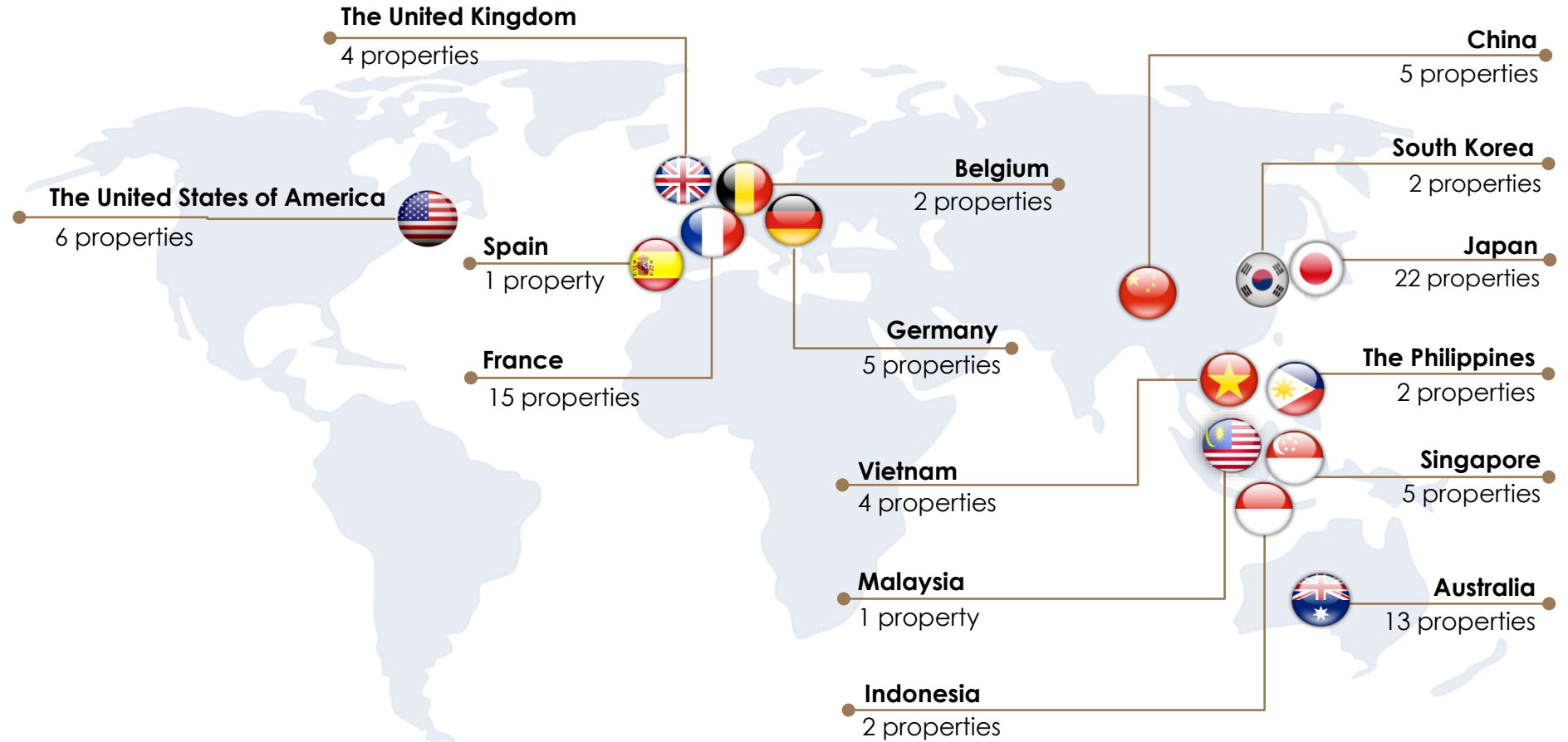
Units

89¹

Properties

39

Cities in 15 countries



Note: Above as at 24 September 2021 unless otherwise stated

1. Including 3 properties currently under development (1 of one-north Singapore, Somerset Liang Court Singapore and student accommodation property in South Carolina, USA), and Wildwood Lubbock, a student accommodation property in Texas, USA acquired on 21 September 2021

Leveraging Strengths in Challenging Times

Resilience from diversification and predominantly long-stay portfolio



Geographically diversified, largely freehold portfolio

- Two-thirds of assets in Asia Pacific, one-third in Europe and The Americas
- 65%¹ freehold properties



Predominantly long-stay lodging type and guest profile

- Average length of stay of c.3 months² in FY 2020
- Focus on growing rental housing and student accommodation segments which have longer leases of 1 to 2 years



Mix of stable and growth income streams

- About three-quarters of 1H 2021 gross profit from stable income sources³
- Mix of income streams offers balance of stability and upside in a market recovery

Notes: Above as at 30 June 2021 unless otherwise stated

1. Based on property values as at 31 December 2020

2. Excludes properties on master leases and properties under development

3. Comprises master leases, management contracts with minimum guaranteed income (MCMGI), rental housing and student accommodation

4. Including Wildwood Lubbock, a student accommodation property in Texas, USA acquired on 21 September 2021

Regional Presence



Lodging Types



Contract Types



Note: Excludes 3 properties which are currently under development

Strong Sponsor – The Ascott Limited

One of the leading international lodging owner-operators



>127,000

**Serviced residence
& hotel units**

Includes units under development

>790

Properties



>200

Cities

>30

Countries

>30 years track record

**Strong alignment of interests
c.41% sponsor stake¹ in ART**



Notes: Figures updated as at September 2021

1. Held through CapitaLand Group

Commitment to Sustainability & Corporate Governance

Aligned with CapitaLand's 2030 Sustainability Master Plan



Environment



Social



Governance

CapitaLand's 2030 targets (using 2008 as a base year)



Reduce:

- **Carbon** emissions intensity to **78%**
- **Energy** consumption intensity to **35%**
- **Water** consumption intensity to **45%**



Increase proportion of total electricity consumed from **renewable sources** to **35%**

Green Properties & Sustainable Finance



21 green-certified properties

Target to green all properties in ART's portfolio by 2030

Maiden green loan

for the development of lyf one-north Singapore, which has obtained BCA Green Mark Gold^{PLUS}

Educating guests to go green

Caring for Our Guests, Employees & Community



"Ascott Cares" Commitment

Providing enhanced hygiene and safety standards, wellness support and implementing sustainable practices

Positive safety culture

Zero work-related fatality or permanent disability in FY 2020

Supporting the fight against Covid-19

Providing accommodation to affected communities and helping vulnerable groups with the support of CapitaLand Hope Foundation

Corporate Governance & Transparency

Ranked 1st in REITs and Business Trusts category

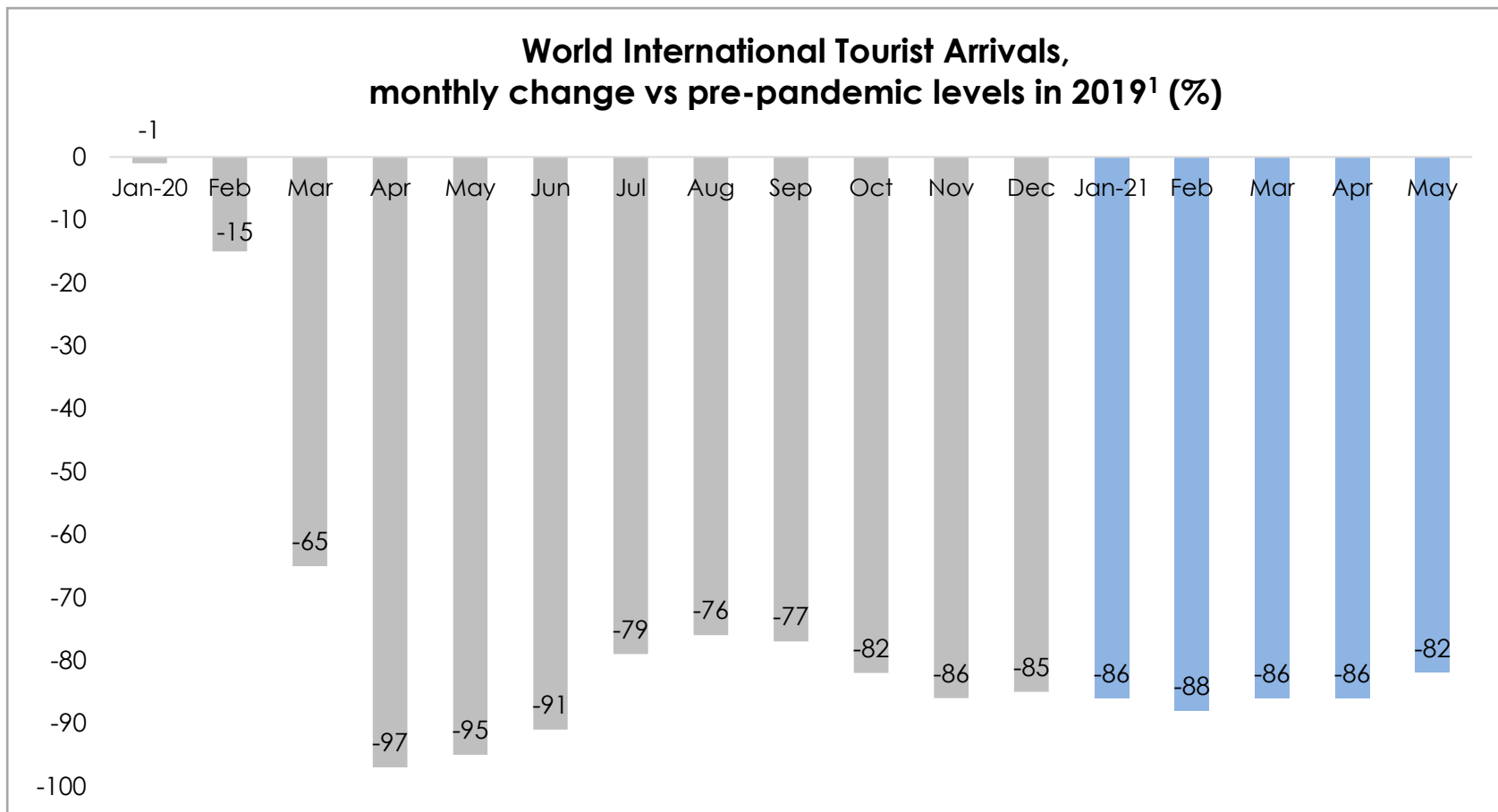
Singapore Governance and Transparency Index 2021

COVID-19 Situational Update

Citadines

International Arrivals Impacted by Border Closures

Gradual pick-up in international travel, domestic travel drives recovery in most destinations



2021 vs 2020

65%

y-o-y decline² in international arrivals for YTD May 2021 as most international borders remained closed

Slight upturn in May as some destinations started to ease restrictions³

10-40%

Forecasted y-o-y increase in international arrivals for full-year 2021, on expectation of a rebound in 2H 2021⁴

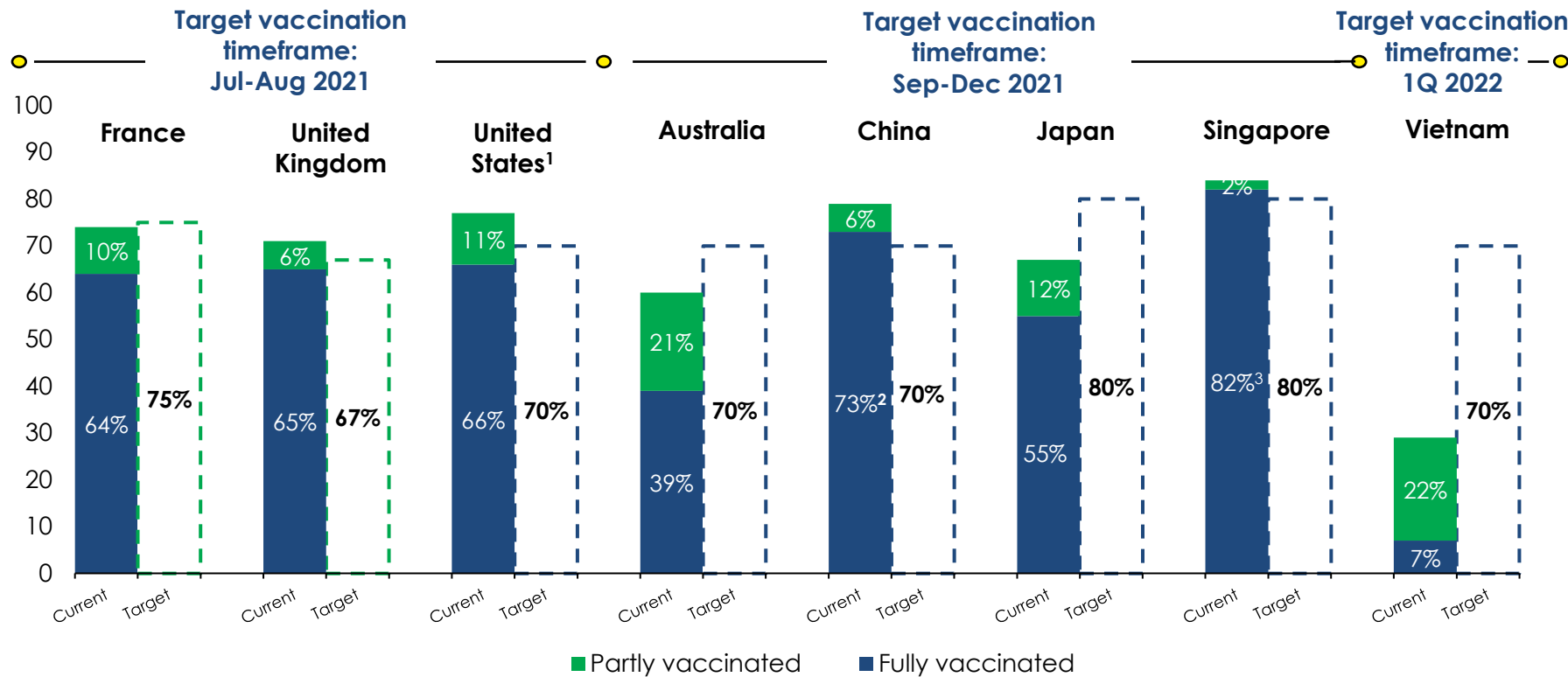
Notes:

1. Source: UNWTO, "Tourism Data Dashboard", July 2021. Data shows percentage change against 2019 levels for better comparability
2. 85% decline compared to 2019 levels
3. Source: UNWTO, "International travel largely on hold despite uptick in May", July 2021
4. Source: UNWTO, "Tourist numbers down 83% but confidence slowly rising", June 2021

Governments Step Up Immunisation Efforts Globally

Vaccination progress strengthens international travel recovery's potential

Proportion of population vaccinated against Covid-19



Based on a Tripadvisor survey...

86%

of travellers more likely to travel domestically if they receive the vaccine

77%

of travellers more likely to travel internationally if they receive the vaccine

74%

of travellers plan to take at least one overnight domestic leisure trip in 2021

Notes:

Current vaccination rates are from Our World in Data, "Share of people vaccinated against COVID-19", September 2021, unless otherwise stated

Target vaccination rates (in bars with dotted outlines) are based on government guidance and compiled from various news articles

1. Percentages for United States are based on population greater than 18 years of age

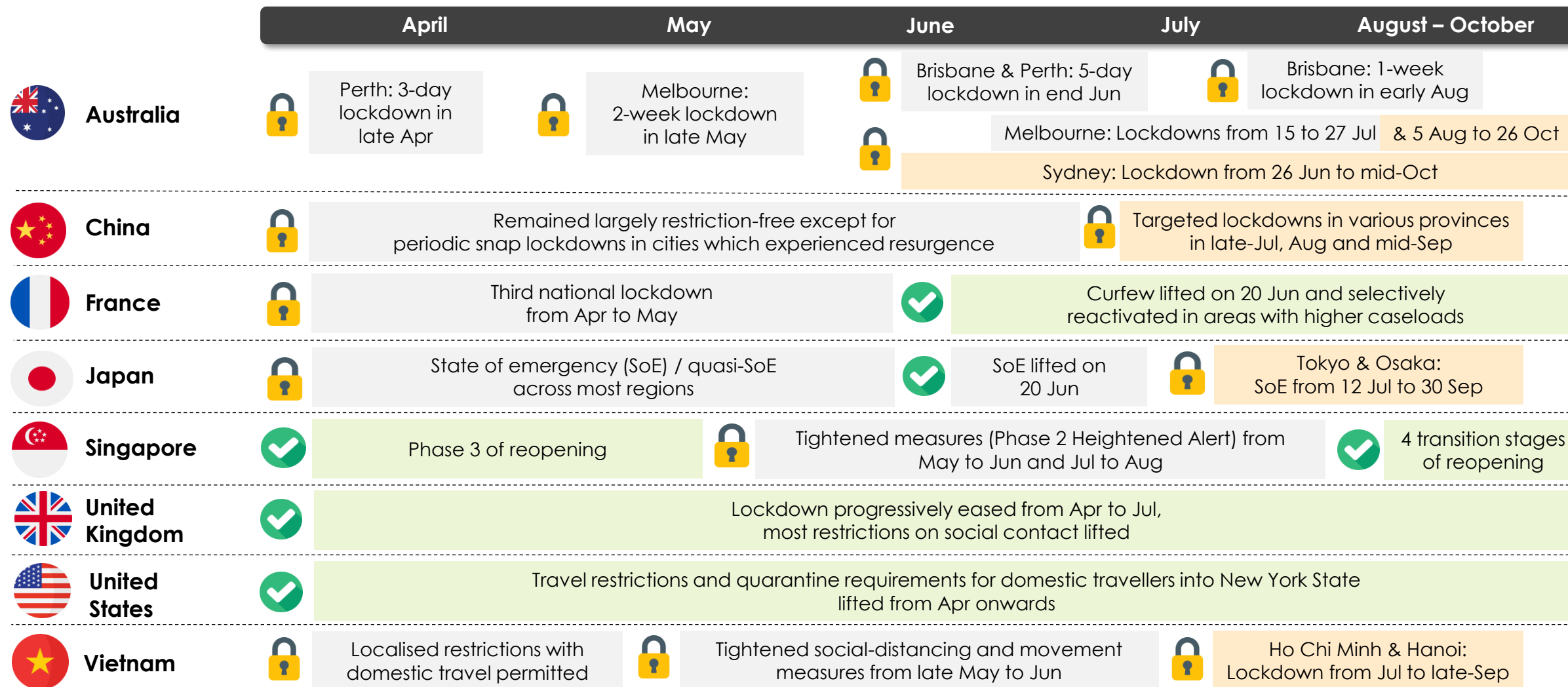
2. Source: Bloomberg, "More than 6.06 Billion Shots Given: Covid-19 Tracker", September 2021

3. Source: The Straits Times, "Tracking Singapore's Covid-19 vaccination progress", September 2021

Source: Tripadvisor, "2021 - The year of the travel rebound?", January 2021

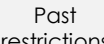
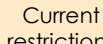
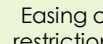
Varied Responses to Covid-19

Europe and USA eased restrictions in 2Q 2021, underpinned by ramp-up in vaccinations



Notes: As at September 2021
Information on lockdowns and reopenings are compiled from various sources

Legend:

		
Past restrictions	Current restrictions	Easing of restrictions

More Countries Reopening for International Travel

Formation of reciprocal travel arrangements and vaccine certificates

- More countries are gradually reopening international borders, as vaccination progress gains momentum
- As at June 2021, fewer destinations in Europe and Americas have completely-closed borders (13% and 20% respectively) compared to Asia and the Pacific (70%)¹



The EU Digital Covid Certificate, recognised by all 27 EU Member States & 4 non-EU Schengen countries, was rolled out in July²



France has its borders open to all travellers from 55 countries (on its green list), regardless of vaccination status³



England will permit quarantine-free arrivals for vaccinated visitors from 17 more countries (apart from USA and countries in the EU & UK) in October⁴



USA will reopen in November for **vaccinated visitors from 33 countries on the restricted list** (including China, India, Brazil & most of Europe)⁵



Singapore reopened borders to vaccinated travellers from Brunei & Germany under Vaccinated Travel Lane, plans roll-out to more countries⁶



Australia is planning for vaccine passport trials in preparation for **border reopening** when **80%** of population is **fully vaccinated**⁷

Sources:

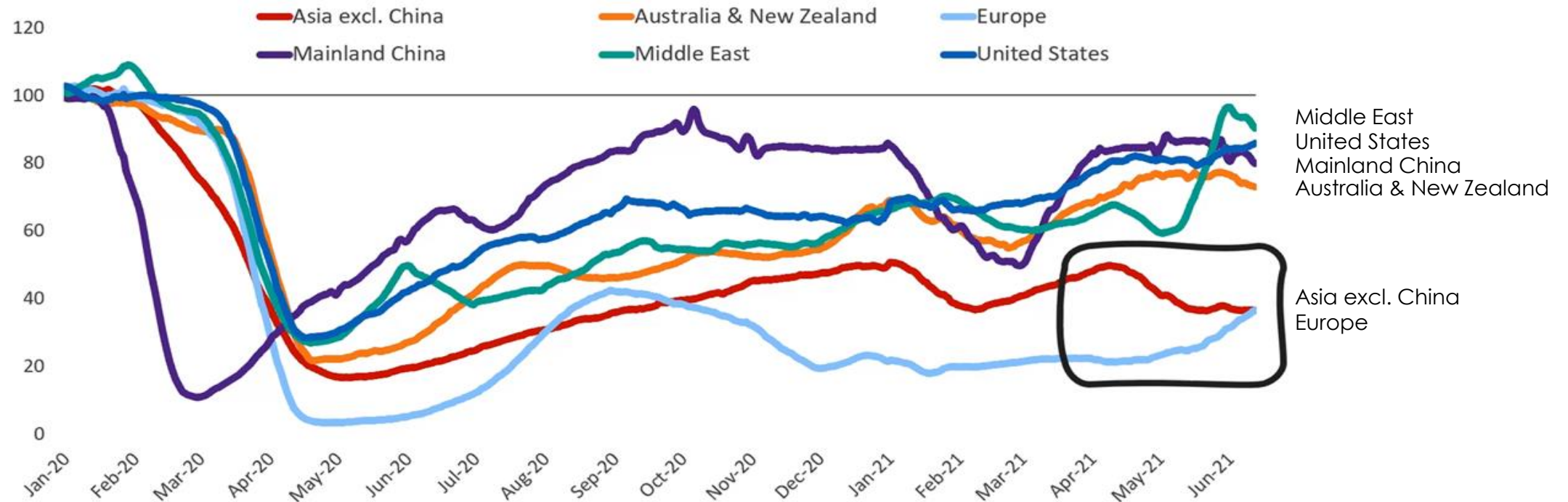
1. UNWTO, "Covid-19 Related Travel Restrictions, A Global Review for Tourism, Tenth Report", July 2021
2. European Council and Council of the European Union official website, "EU Digital COVID Certificate: how it works", July 2021
3. Schengen Visa Info News, "Travelling to France Amid Covid-19 – Everything you need to know", September 2021
4. CNBC, "India slams UK's new travel rules as 'discriminatory', warns of retaliation", September 2021
5. CNA, "US to relax travel restrictions for Covid-19 vaccinated foreign air travellers in November", September 2021
6. The Straits Times, "Vaccinated Travel Lane scheme may be expanded soon; 1 Covid-19 case found among 900 visitors", September 2021
7. CNN Travel, "Australia to trial vaccine passports over coming days as post-Covid opening preparation begins", September 2021

Industry Occupancy Rates Closing in to 2019 Levels

Stronger performance in 2Q 2021 across most markets

Rolling 28 days occupancy (full inventory) indexed to 2019

Source: STR, CoStar Realty Information, Inc.¹



Source:
1. STR COVID-19 Webinar, APAC Hotel Performance Analysis, 18 June 2021

Performance Highlights



1H 2021 Financial Highlights

Fourth consecutive quarter of RevPAU recovery in 2Q 2021



1H 2021: Distributable income higher by 96% y-o-y

Revenue
S\$185.0 mil

▼ 11% y-o-y

Portfolio RevPAU

S\$60¹

▼ 14% y-o-y

Gross Profit
S\$82.1 mil

▼ 7% y-o-y

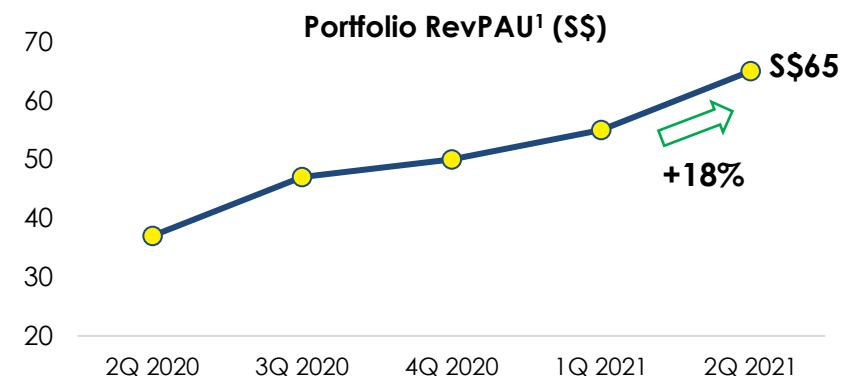
Distributable Income

S\$63.8 mil

▲ 96% y-o-y



2Q 2021: Portfolio RevPAU¹ rose by 76% y-o-y and 18% q-o-q



- 1H 2021 revenue and gross profit were lower y-o-y due to **divestments and as Covid-19 had a lesser impact on 1Q 2020**
- **On a same-store basis², revenue was 7% lower y-o-y; gross profit was relatively stable** as lower operating costs mitigated the softer revenue
- **Distributable income higher by 96% y-o-y**, boosted by distribution top-up of S\$20 million in 1H 2021, one-off termination fee income received³ and realised exchange gain

- 2Q 2021 revenue and gross profit were **45% and 56% higher y-o-y** respectively, on a same-store basis²
- **RevPAU for most markets increased q-o-q** in 2Q 2021, as **higher vaccination rates** aided further **easing of restrictions**
- **Average occupancy** rose q-o-q from c.50% to mid-50%
- China continued to lead the recovery with **higher corporate demand**
- Europe benefitted from **leisure demand** brought by the summer season
- **Block bookings** (in Australia, Singapore, USA), and **long stays** (in Indonesia, Philippines, Vietnam) continued to offer stability

Notes:

1. Revenue per available unit of properties under management contracts and management contracts with minimum guaranteed income, excludes master leases, rental housing and student accommodation
2. Excluding acquisitions and divestments in 2020 and 2021
3. For the divestments of Citadines Xinghai Suzhou and Citadines Zhuankou Wuhan which were terminated

1H 2021 Financial Highlights

Enhancing stability and working towards a sustainable recovery



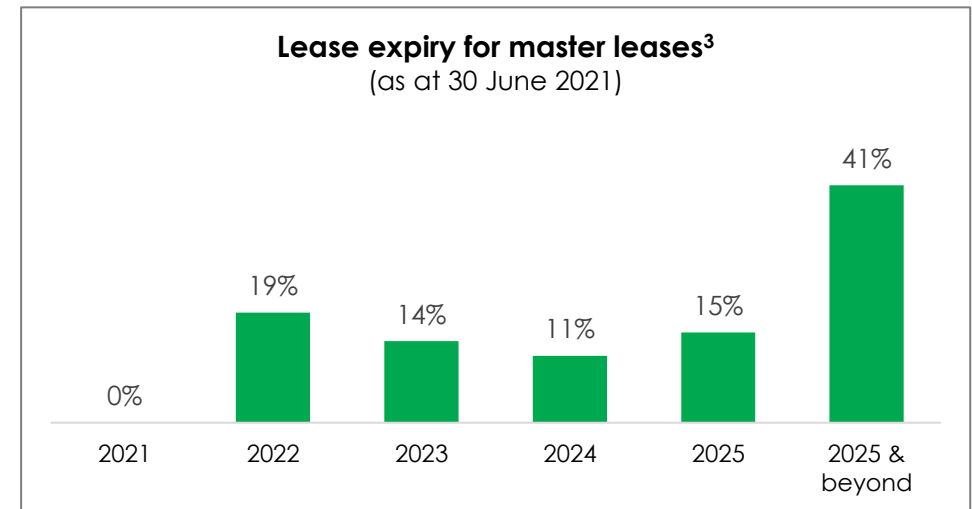
Building a resilient portfolio supported by stable income sources

- ART's **stable income sources**¹ contributed **c.74% of gross profit** in 1H 2021
 - Increased asset allocation in rental housing and student accommodation in 1H 2021 with acquisition of maiden student accommodation property and 3 rental housing properties in Japan
- Portfolio continued to **generate profits and positive cashflow**
 - During 1H 2021, 12 properties were temporarily closed, **8 of which have reopened** in May and June, and **2 have reopened** in July²
 - 8 of the closed properties were on master leases and continued to receive fixed rent
- **No master leases expiring in 2021**
 - Park Hotel Clarke Quay is in the process of being repossessed by ART and the Managers are assessing options for the operations of the property; a provision of S\$5.3 mil has been made in 1H 2021 for the outstanding rents and the master lease (expiring in 2023) will subsequently be terminated



Strong financial capacity & healthy liquidity position

- **Debt due in 2021 substantially refinanced**
- **Gearing lowered to 35.9%; debt headroom of c.S\$1.9 bil** offers capacity and flexibility to acquire
- **Healthy liquidity position with total available funds of c.S\$1.17 bil** (comprising cash on-hand and available credit facilities)



Notes:

1. Stable income sources include master leases, management contracts with minimum guaranteed income, rental housing and student accommodation properties
2. The 12 properties temporarily closed in 1H 2021 comprised 5 in France, 4 in Japan, 1 each in Spain, Belgium and South Korea. As at 27 July 2021, the 2 remaining closed properties are Hotel WBF Kitaseмба East and Hotel WBF Kitaseмба West in Japan and constitute c.2% of ART's total operating units.
3. Percentage of gross rental income for master leases expiring during the respective periods over the total gross rental income for all master leases

1H 2021 Distribution Details

Top-up of distribution to mitigate impact of Covid-19



Sharing divestment gains with Stapled Securityholders

- **c. S\$360 mil in net gains** unlocked from divestments from 2019 to 2021 year-to-date
- **Top-up of S\$20 mil in 1H 2021** to share divestment gains with Stapled Securityholders, replace income loss from divested assets and mitigate the impact of Covid-19 on distributions
- **DPS of 2.045 cents in 1H 2021, 95% higher y-o-y**



**Distribution
per Stapled Security (DPS)**

2.045 cents

▲ 95% y-o-y

Distribution Details

Last Day of Trading on "cum" basis	2 August 2021
Ex-Date	3 August 2021
Books Closure Date	4 August 2021
Distribution Payment	27 August 2021

Resilience Amid Covid-19

Enhancing stability and diversification with rental housing and student accommodation

Contract types with a fixed/minimum rent component

Master leases

Australia	4.6%
France	14.6%
Germany	8.8%
Japan	13.4%
Singapore	14.9%
South Korea	2.4%

MCMGI¹

Belgium	0.4%
Spain	0.5%
United Kingdom	2.2%

Management contracts of rental housing and student accommodation

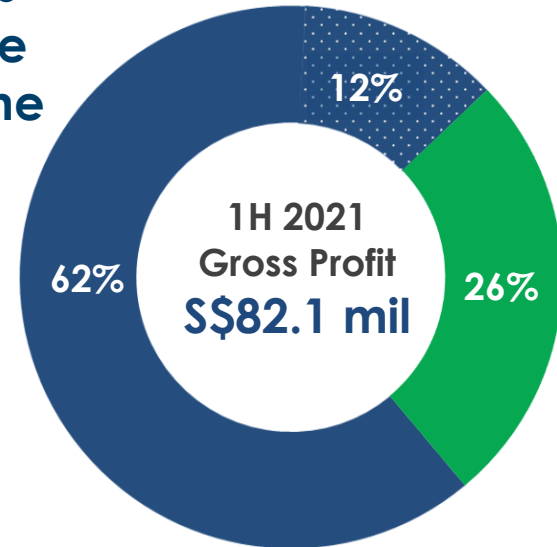
Rental housing

Japan	9.5%
-------	------

Student accommodation

United States	2.7%
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74%
Stable
Income



26%
Growth
Income

Contract Types

31

Master
Leases

4

MCMGIs¹

50

Management
Contracts

Note: Excludes 3 properties which are currently under development

Management contracts of serviced residences and hotels

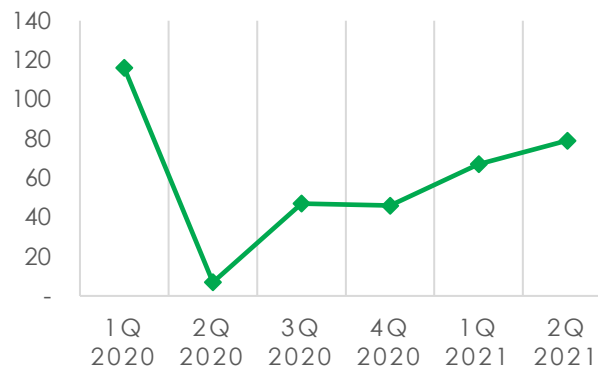
Australia	13.1%
China	5.4%
Indonesia	1.7%
Japan	-1.5%
Malaysia	-0.1%
Philippines	1.2%
Singapore	0.1%
United Kingdom	2.4%
United States	-3.4%
Vietnam	7.1%

Sequential Improvement in RevPAU Across Most Markets

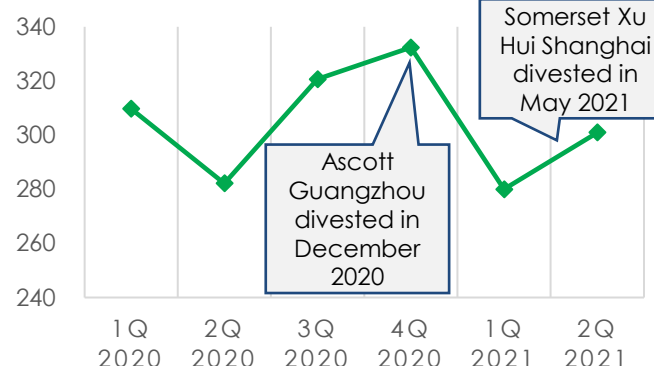
Large domestic markets leading the recovery



Australia RevPAU (AUD)



China RevPAU (RMB)



France (All master leases)



- **RevPAU increased 18% q-o-q in 2Q 2021** due to some improvement in the Covid-19 situation and block bookings at 4 hotels
- Block bookings for certain hotels are expected to continue through 2H 2021
- **Snap lockdowns** in Victoria and New South Wales affected **interstate travel restrictions**
- **Perth and Brisbane properties performed better** due to higher domestic leisure demand

- **Same-store¹ RevPAU increased 18% q-o-q in 2Q 2021**; average occupancy was 60%, higher than a year ago due to the **recovery in business and industrial activities**
- **Long stays** continued to provide a strong occupancy base for the properties
- Demand for accommodation expected to remain **largely domestic** due to border restrictions

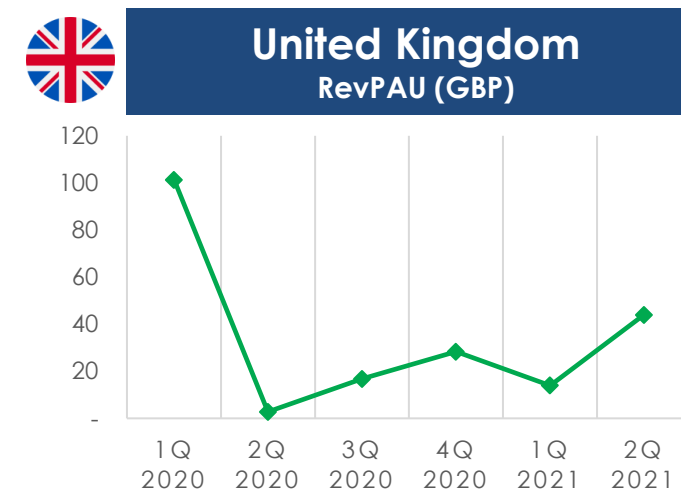
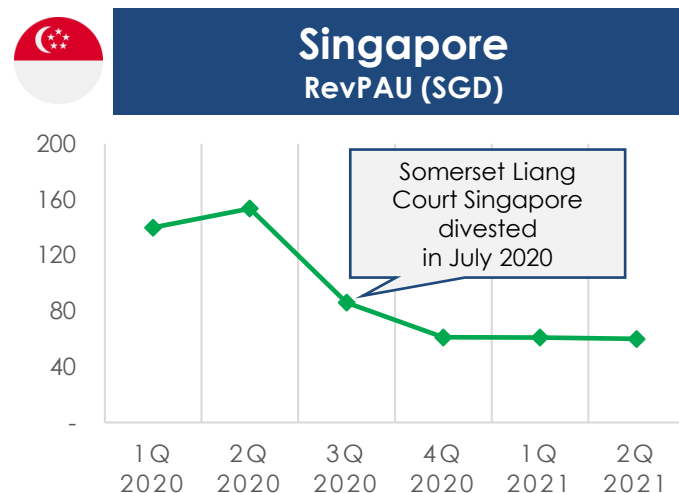
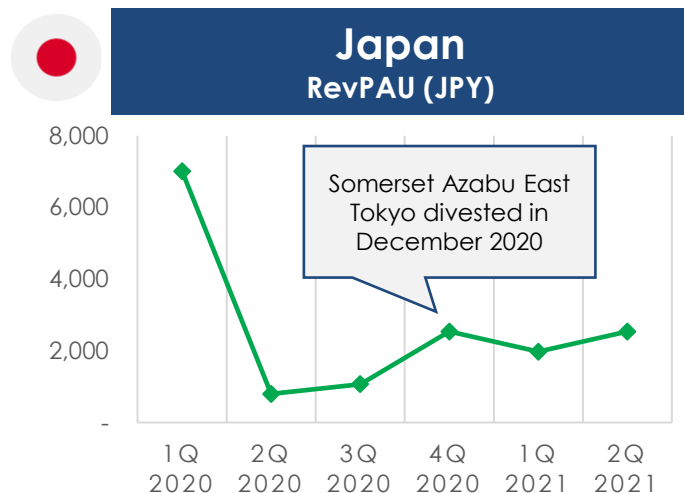
- **1H 2021 revenue and gross profit were lower** due to divestments and softer demand, which resulted in lower rental income under the current master lease structure which has a variable rent component
- All temporarily closed properties were **progressively reopened** in 2Q 2021 to capture the **summer holiday demand**
- **Healthy occupancy of c.70%** in June 2021, **positive momentum** expected to continue into 3Q 2021

Notes: RevPAU refers to revenue per available unit of properties under management contracts and management contracts with minimum guaranteed income, excludes master leases, rental housing and student accommodation

1. Excluding Somerset Xu Hui Shanghai which was divested in May 2021

Sequential Improvement in RevPAU Across Most Markets

Large domestic markets leading the recovery



- **RevPAU of the serviced residences increased 28% q-o-q in 2Q 2021** due to higher domestic leisure demand during the holiday seasons, and month-long corporate bookings in April 2021
- Uplift expected for the 2 Tokyo properties during the **Olympic Games** in 3Q 2021
- Resilience from **rental housing** which have **occupancies of >90%** and **fixed rent from master leases**

- Citadines Mount Sophia Singapore: **RevPAU stable q-o-q in 2Q 2021** due to **government contract**; expected to remain booked through 3Q 2021
- Ascott Orchard Singapore: **Long stays, corporate and staycation bookings** were key drivers
- Riverside Hotel Robertson Quay (formerly Park Hotel Clarke Quay): Property is currently receiving **government contract business** after repossession by ART and termination of master lease

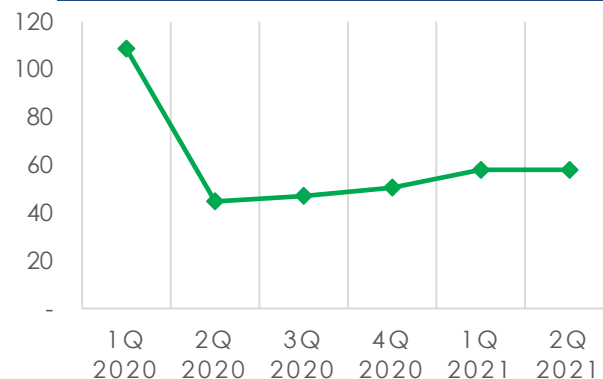
- **RevPAU increased 214% q-o-q in 2Q 2021** following the relaxation of measures in May 2021 and increase in domestic leisure travel during the summer holidays
- **Long stays** by student groups and corporates formed a stable occupancy base
- **Positive momentum** expected to continue into 3Q 2021

Sequential Improvement in RevPAU Across Most Markets

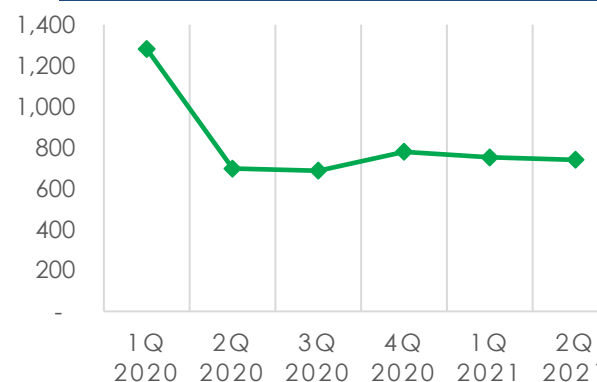
Large domestic markets leading the recovery



United States RevPAU (USD)



Vietnam RevPAU (VND)



- **RevPAU of hotels stable q-o-q in 2Q 2021**
 - Sheraton Tribeca New York was supported by a block booking
 - Element New York Times Square West improved due to higher leisure demand
 - Hotel Central Times Square under renovation until 4Q 2021
- **Student accommodation property registered strong occupancy of >95% year-to-date and fully pre-leased for Fall 2021** as at August 2021

- **RevPAU decreased 2% q-o-q in 2Q 2021** on the back of a resurgence and tightening of movement controls since May 2021
- **New reservations were impacted** as flights were reduced, and discretionary domestic travel was put on pause
- **Long stays, corporate guests and project groups** formed majority of the properties' bookings, providing a resilient occupancy base

Portfolio Updates



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

Investment & Portfolio Reconstitution Strategy

Virtuous cycle to enhance yield for Stapled Securityholders

Divestments
at premium to
book value



Investments in
rental housing
and student
accommodation



Development
projects



- Recycling capital into **higher-yielding investments** with a focus on increasing proportion of stable income
 - **Medium term target** of increasing asset allocation in rental housing and student accommodation properties from c.11% currently to **15%-20% of portfolio value**
- **Development projects** to rejuvenate the portfolio and enhance returns

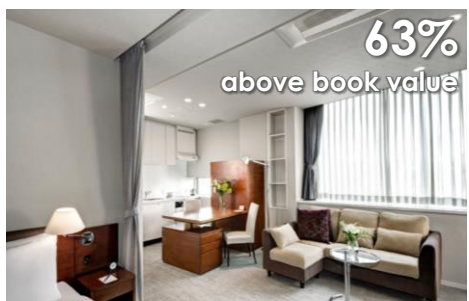
Divesting at Premium to Book Despite Covid-19

Divesting properties that have reached their optimal stage of life cycle

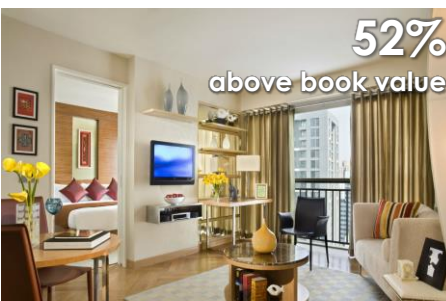
Completed in 2020



Somerset Liang Court Singapore

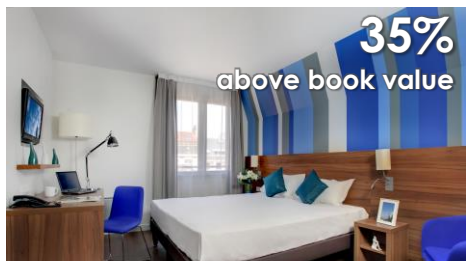


Somerset Azabu East Tokyo

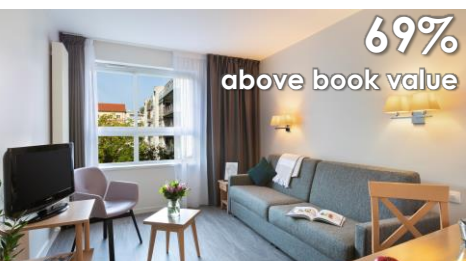


Ascott Guangzhou

Completed in 2021



Citadines City Centre Grenoble
Completed in March 2021



Citadines Didot Montparnasse Paris
Completed in May 2021



Somerset Xu Hui Shanghai
Completed in May 2021

Divestments in 2020 and 2021

c. S\$580 mil in proceeds

Enhancing liquidity and flexibility to

- Pare down debt;
- Rejuvenate portfolio; and/or
- Recycle capital into higher-yielding assets

c. S\$225 mil in net gains

- Capacity to supplement distributions to Stapled Securityholders, if necessary
- S\$45 mil in past divestment gains distributed in FY 2020

c. 2%¹ average exit yield

Note:

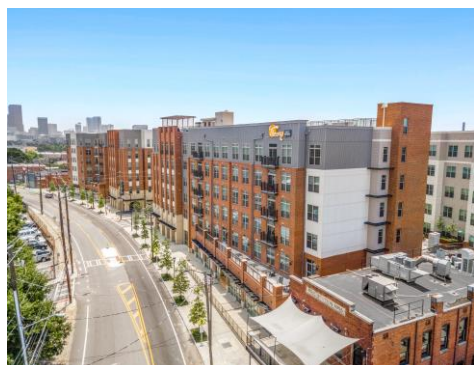
1. Exit yield is computed based on the properties' EBITDA in the last financial year before they were divested; excludes the divestment of Somerset Liang Court Singapore as it is a partial sale of GFA and the exit yield is therefore not meaningful for the purpose of this computation

Re-deploying Proceeds into Higher-Yielding Investments

Building stable income through rental housing and student accommodation

c. \$379 mil in total investment¹ year-to-date, at average EBITDA yield of c. 5%²

Long leases of 1-2 years, average occupancy of >90%



February 2021

Acquisition of maiden student accommodation property in Atlanta, USA

US\$95.0 mil (\$126.3 mil)

June 2021

Acquisition of 3 rental housing properties in Sapporo, Japan

JPY6.8 bil (\$85.2 mil)

June 2021

Development of student accommodation property in South Carolina, USA

US\$55.2 mil³ (c.\$73.4 mil)

September 2021

Acquisition of student accommodation property in Texas, USA

US\$70.0 mil (c.\$93.8 mil)

Notes:

1. Refers to the total purchase consideration for Paloma West Midtown, Wildwood Lubbock and the 3 rental housing properties in Japan, as well as ART's investment in the student accommodation development in South Carolina, USA
2. For the student accommodation development in South Carolina, USA, the EBITDA yield is a target yield on a stabilised basis
3. Comprises ART's investment in the initial 45% stake, estimated cost of the additional 5% stake which ART will acquire at fair market valuation, and other deal-related expenses

Strengthening Foothold in Student Accommodation with 3rd Investment in 7 Months

Underpinned by strong fundamentals and rebound in leasing activity in USA



Acquisition of Wildwood Lubbock, Texas

- Freehold 2- / 3-storey cottage-style property with 294 units and 1,005 beds
- 2.7km from boundary of Texas Tech University
- Acquisition price of **US\$70.0 mil (c.\$\$93.8 mil)**
- **DPS accretion of c.1.5%¹** and **EBITDA yield of c.5.1%**
- High occupancy of **c.96%** for Academic Year (AY) 2020 and long average lease of **about 1 year**

Robust Market Demand

- ART's properties **100% pre-leased for AY 2021** as universities returned to in-person classes
- Resilient demand as the properties serve top universities where the student population is predominantly local
- **Annual effective market rents grew by c.2.5%** year-on-year in August 2021, hitting a more-than-two-year high²
- Wildwood Lubbock registered **rental growth of 5%** for AY 2021 over AY 2020

Building War Chest for Further Growth

\$\$150 mil raised through a private placement in September 2021 to partially fund **acquisition of Wildwood Lubbock** (c.38% of proceeds) **and future investments** (c.59% of proceeds) including **student accommodation** and **multi-family rental housing properties** in developed markets

- Strengthening financial capacity and enabling ART to act more expeditiously in pursuing yield-accretive acquisition opportunities

Notes:

1. Based on FY 2020 pro forma Distribution per Stapled Security. The pro forma is based on the audited financial statements of ART for the financial year ended 31 December 2020, assuming that (1) the acquisition was completed on 1 January 2020 and ART held and operated the property through to 31 December 2020 and (2) the acquisition will be funded 40% by debt and 60% by equity
2. Source: Realpage, "Fall 2021's Final Pre-Lease Rate Tops 92%", September 2021

Rejuvenating the Portfolio with New Developments

New product offerings to cater to the new normal

Redevelopment of Somerset Liang Court Singapore



- 192-unit Somerset serviced residence with hotel licence in the popular riverfront lifestyle and entertainment Clarke Quay precinct
- Sale of partial GFA **completed on 15 July 2020** and **S\$163.3 mil of cash proceeds collected**
- Development update:
 - Demolition works completed
 - Site works have commenced in mid-July 2021
- Development expected to **complete in 2H 2025**

Development of lyf one-north Singapore



- 324-unit coliving property located in the vibrant research and business hub of one-north, Singapore
- Development update:
 - Main structural and façade works completed in 1Q 2021
 - External works, internal architectural and mechanical & electrical works in progress
- Expected to **complete in 4Q 2021**

Refurbishment and Rebranding of Hotel Central

Well-positioned to ride the recovery in domestic leisure travel

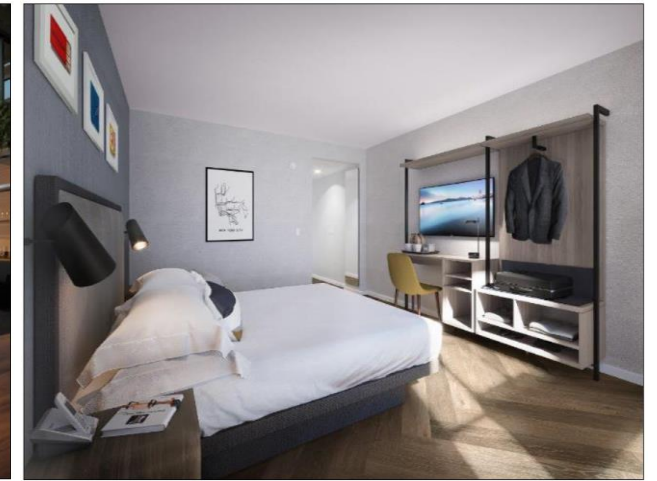
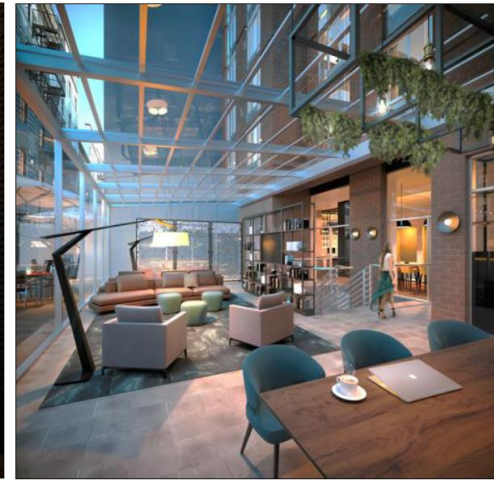
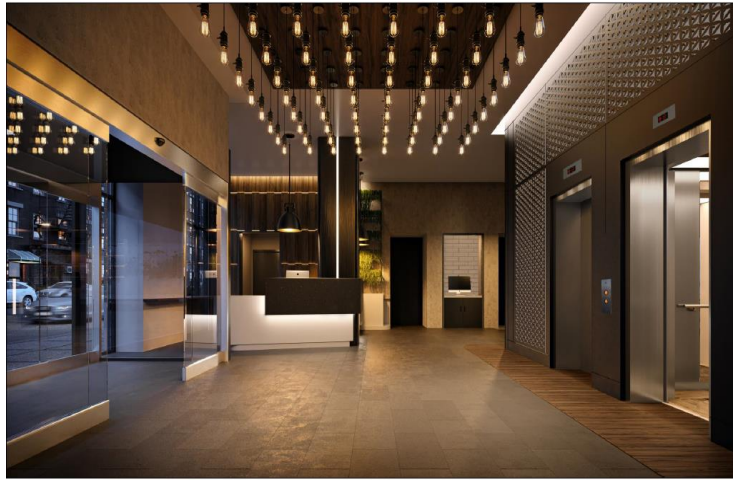


Photo credit: IHG

Renderings of refurbished hotel

Refurbishment of Hotel Central Times Square¹ in New York, USA

- US\$10 mil refurbishment of guest rooms and public areas
 - Modernised spaces – activated lobby, lounge, meeting room and bar
 - Seasonal terrace features refreshed look and feel with a new mural overlooking the space
- Launching as voco Times Square South in 4Q 2021

Rebranding to voco™

- Premium positioning within the IHG stable of brands
- Each property retains its individuality and character
- Thoughtful, unstuffy and charming brand personality

Note:


1. Property located at 341 West 36th Street, New York, New York 10018, The United States of America and formerly known as DoubleTree by Hilton Hotel New York – Times Square South

Capital Management



Strong Financial Capacity & Healthy Liquidity Position

Sufficient liquidity to cover three years' fixed costs under a worst case, zero income scenario




Strong capital management

S\$1.19
NAV per Unit

50%
Total assets in foreign currency hedged

0.5% (gain)
Impact of foreign exchange after hedges on gross profit for 1H 2021



Robust financing flexibility


35.9%
Gearing
(c. S\$1.9 bil debt headroom¹)

1.6%
per annum
Low effective borrowing cost

BBB- (Stable Outlook)
Fitch Ratings

2.3X²
Interest cover

68%
of property value unencumbered



Fortifying liquidity reserves

c.S\$1.17 bil
Total available funds

=

c.S\$470 mil
Cash on-hand

+

c.S\$695 mil
Available credit facilities³

Notes:

Above as at/for period ended 30 June 2021

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 June 2021; includes committed credit facilities amounting to approximately S\$277 mil

Strong Financial Capacity & Healthy Liquidity Position

Diversified funding sources and well spread-out debt maturity profile

69% : 31%

Bank loans : Medium Term Notes

3%

Total debt due in 2021

c.80%

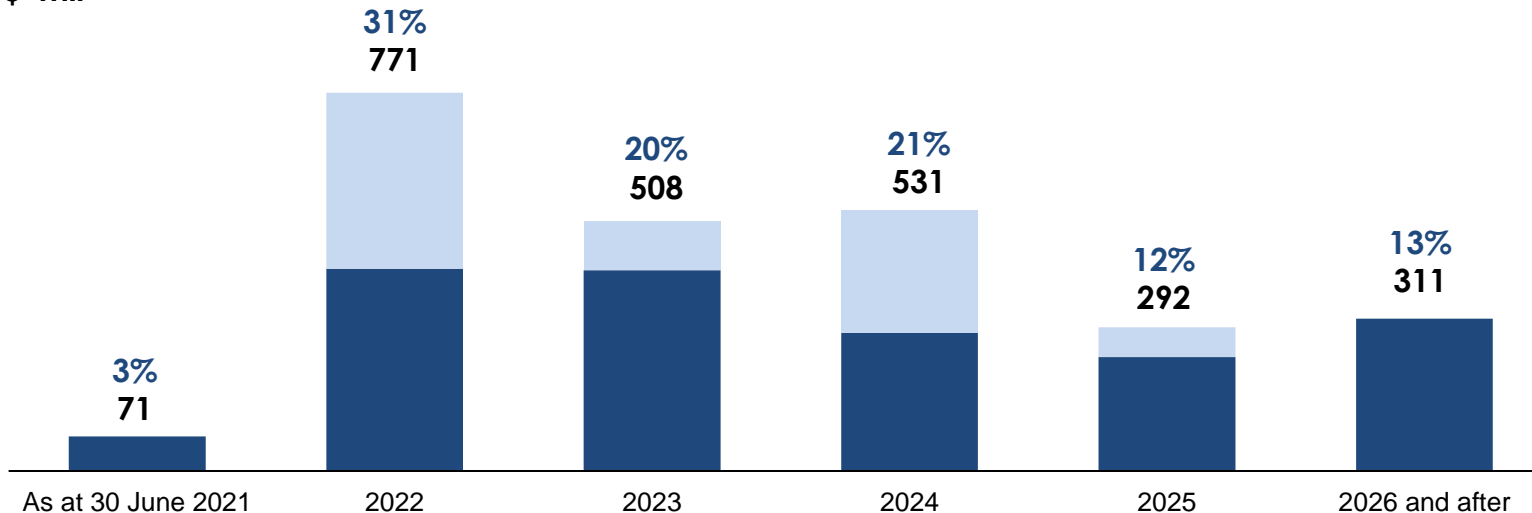
Total debt on fixed rates

3.2 years

Weighted average debt to maturity

Managing liquidity risks through diversified funding sources

S\$' mil



Bank loans



Medium Term Notes

- Debt due in 2021 substantially refinanced
 - Successfully refinanced S\$179 mil in debt in 1H 2021
- Lenders remain supportive

Outlook & Prospects



Well-positioned for Recovery

Underpinned by strong fundamentals, poised to capture pent-up demand



Near-term uncertainty remains, and the pace of recovery across markets divergent...

Movement restrictions continue to be in place in countries experiencing a resurgence

Concerns around variants of the virus

Initial phase of recovery largely driven by domestic and essential corporate travel segments, and return of international demand may be more gradual



...but progress has been made, and industry experts expect a stronger 2H 2021.

Accelerated vaccine rollout, reopening of economies and borders

IMF expects the global economy to grow 6% in 2021¹

UNWTO expects international visitor arrivals to rebound by 2H 2021, increasing 10% to 40% y-o-y for the full year²



Underpinned by strong fundamentals, ART is well-placed to ride the recovery.

Diversified portfolio of predominantly long-stay properties and presence in large domestic markets

Strong financial and cashflow positions offer flexibility to invest, pare down debt and/or distribute to Stapled Securityholders

Sources:

1. International Monetary Fund, "World Economic Outlook", July 2021
2. UNWTO, "Tourist numbers down 83% but confidence slowly rising", June 2021



Thank you



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CapitaLand Investment

Appendix: Other Performance Updates

As announced on 27 July 2021



Financial Performance by Contract Types

Same-store¹ gross profit relatively stable as lower operating costs mitigated softer revenue

	Revenue (S\$'mil)			Gross Profit (GP) (S\$'mil)			RevPAU ² (S\$)		
	1H 2021	1H 2020	% Change	1H 2021	1H 2020	% Change	1H 2021	1H 2020	% Change
Master Leases	53.7	58.1	-8%	48.2	52.2	-8%	n.a.	n.a.	n.a.
Management Contracts with Minimum Guaranteed Income (MCMGI)³	5.3	8.4	-37%	2.5	2.7	-7%	23	47	-51%
Management Contracts (MC)³	126.0	142.0	-11%	31.4	33.7	-7%	63	71	-11%
Total	185.0	208.5	-11%	82.1	88.6	-7%	60	70	-14%
Total Same-store basis¹	176.5	190.5	-7%	77.0	78.1	-1%	59	65	-9%

- **Master Leases (59% of total GP):** Lower revenue & gross profit due to divestments, changes in rent structure and softer performance
- **Management Contracts with Minimum Guaranteed Income (3% of total GP):** Lower revenue due to Covid-19 impact, partially offset by income top-up from the operator; impact on gross profit mitigated by lower operating expenses (wage subsidies and waiver of property tax expenses)
- **Management Contracts (38% of total GP):** Lower revenue & gross profit due to divestments and softer demand for accommodation

Notes:

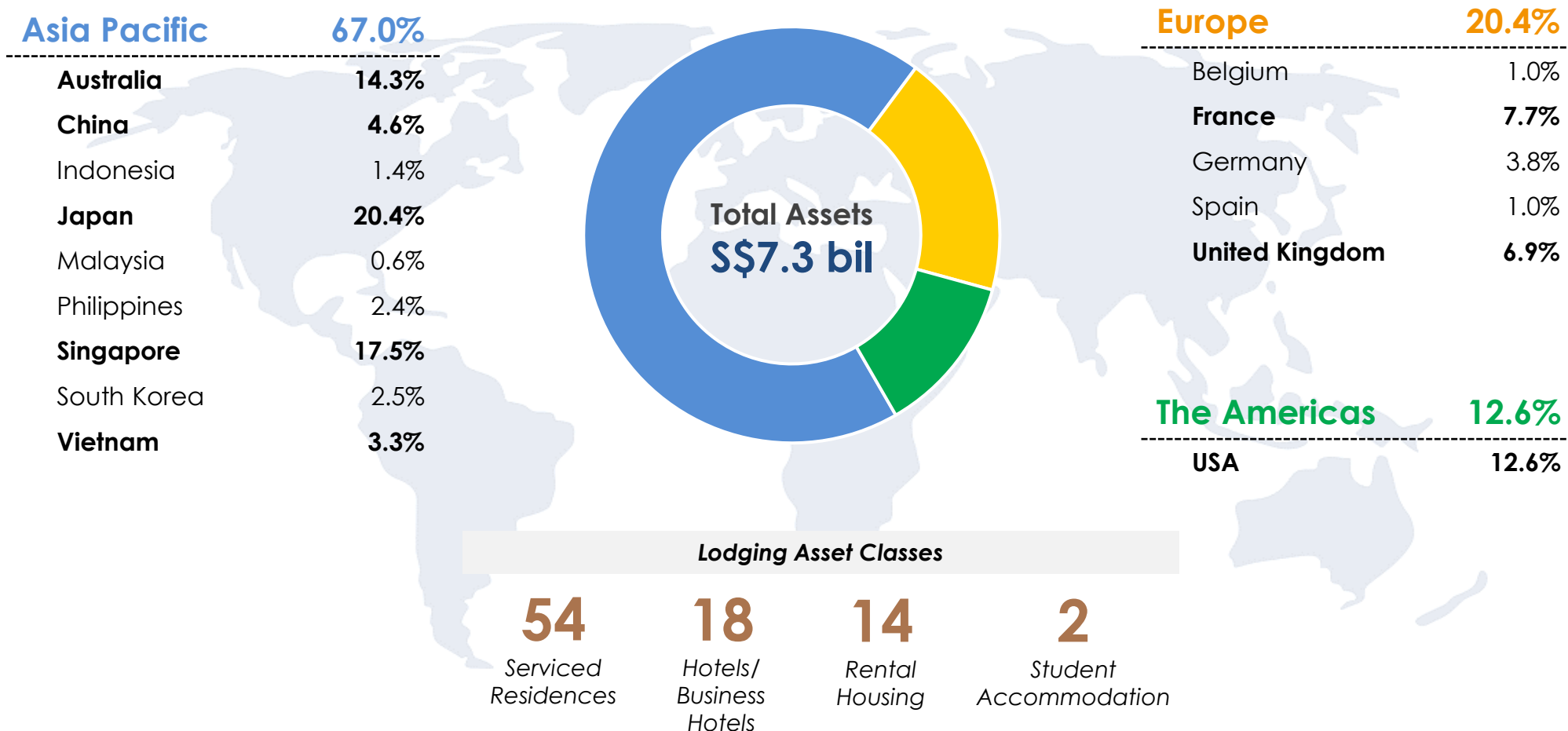
1. Same-store basis computation excludes all acquisitions and divestments made in 2020 and 2021

2. Pertains to the serviced residences and hotels only, excludes rental housing and student accommodation

3. For comparison purposes, the contributions from the 3 United Kingdom properties which were converted from MCMGI to MC from May 2020 have been excluded from MCMGI and classified under MC

Resilience Amid Covid-19

Diversified portfolio with no concentration risk



Note: Above as at 30 June 2021. Markets in bold are ART's 8 key markets

8 Key Markets Performance

		Revenue (LC 'mil)			Gross Profit (LC 'mil)			RevPAU (LC)		
		1H 2021	1H 2020	% Change	1H 2021	1H 2020	% Change	1H 2021	1H 2020	% Change
Master Leases										
Australia	AUD	4.0	4.2	-5%	3.7	4.0	-8%	n.a.	n.a.	n.a.
France	EUR	8.3	10.5	-21%	7.4	9.4	-21%	n.a.	n.a.	n.a.
Japan	JPY	1,005.7	1,206.1	-17%	880.0	1,083.2	-19%	n.a.	n.a.	n.a.
Singapore	S\$	13.7	12.3	11%	12.2	10.9	12%	n.a.	n.a.	n.a.
Management Contracts with Minimum Guaranteed Income (MCMGI)										
United Kingdom ¹	GBP	1.4	1.3	8%	1.0	0.6	67%	34	52	-35%
Management Contracts (MC)										
Australia	AUD	46.4	40.0	16%	10.5	3.0	250%	73	62	18%
China	RMB	70.8	87.0	-19%	21.3	31.9	-33%	290	296	-2%
Japan ²	JPY	1,147.2	1,347.4	-15%	525.9	625.0	-16%	2,259	3,903	-42%
Singapore	S\$	2.2	10.2	-78%	0.1	6.1	-98%	60	147	-59%
United Kingdom ¹	GBP	3.0	6.2	-52%	1.1	2.0	-45%	28	52	-46%
USA ³	USD	13.6	14.5	-6%	-0.4	-2.4	83%	58	77	-25%
Vietnam ⁴	VND	189.7	228.7	-17%	99.1	118.3	-16%	746	989	-25%

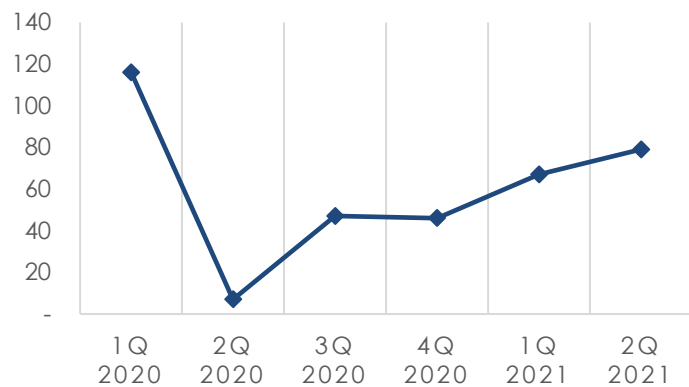
Notes:

1. For comparison purposes, the contributions from the 3 United Kingdom properties which were converted from MCMGI to MC from May 2020 have been excluded from MCMGI and classified under MC
2. RevPAU for Japan relates to serviced residences and excludes rental housing
3. RevPAU for USA relates to hotels and excludes student accommodation
4. Revenue and gross profit figures for Vietnam are stated in billions and RevPAU is stated in thousands

Australia

Stronger performance as block bookings mitigate impact of snap lockdowns

REVP AU (AUD)



Snap lockdowns across various states in 1H 2021; New South Wales is currently under a lockdown since 26 June 2021



International borders closed except for Australia-New Zealand travel bubble



Domestic travel generally permitted except during lockdowns

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

- **1H 2021 revenue and gross profit were higher y-o-y** due to stronger performance of the hotels

Management Contracts

- **RevPAU increased 18% q-o-q to AUD 79¹ in 2Q 2021** due to some improvement in the Covid-19 situation and block bookings at 4 hotels, which supported occupancies during the quarter; block bookings for certain hotels are expected to continue through 2H 2021
- **Perth and Brisbane properties performed better** due to higher domestic leisure demand
- **Snap lockdowns** in Victoria and New South Wales and **interstate travel restrictions** affected overall confidence in travel, impacting the Melbourne and Sydney properties

- **Underlying demand** from corporate groups, MICE segment and leisure travellers continues to improve, and **bookings are expected to gradually return as restrictions are lifted**, as experienced in 1Q 2021

Master Leases

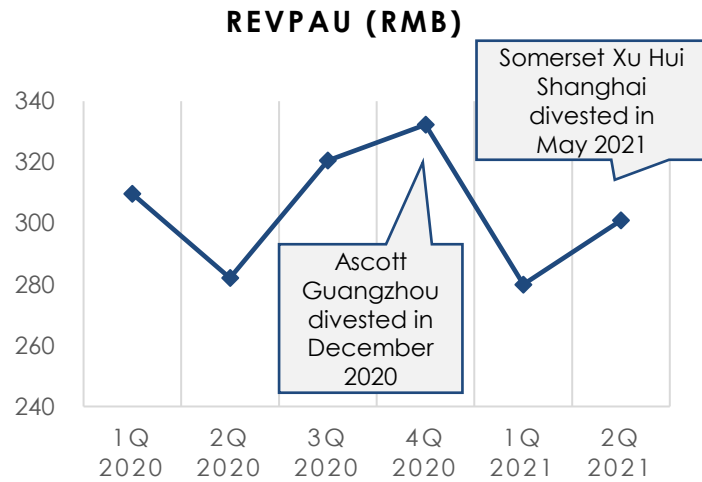
- Some rental waivers extended to support master lessees and in compliance with Australia's mandatory code of conduct, partially mitigated by full half-year contribution from Quest Macquarie Park Sydney acquired in Feb 2021
- Covid-19 situation expected to improve with the government's target to have **all adults vaccinated with at least one dose by end-2021**
- Large-scale sporting and entertainment events had resumed at full capacity in most states

Notes: Updates on travel and movement restrictions above as at 26 July 2021

1. Pertains to the properties under management contracts only

China

Outlook positive on higher corporate and leisure demand



5% of total assets: **5** Management Contracts¹

- 1H 2021 revenue and gross profit were lower y-o-y due to the **divestments** of Ascott Guangzhou and Somerset Xu Hui Shanghai; **on a same-store basis¹, revenue and gross profit were 10% and 4% higher y-o-y respectively**
- Performance of certain properties was impacted by **snap lockdowns** in cities which experienced a resurgence
- **On a same-store basis², RevPAU increased 18% q-o-q to RMB 273 in 2Q 2021**
- **Average occupancy of the China portfolio was 60%, higher than a year ago** (low 50%), due to the recovery in business and industrial activities
- **Long stays** continued to provide a strong occupancy base for the properties
- Demand for accommodation expected to remain **largely domestic** due to border restrictions
- **Recovery expected to pick up pace in 3Q 2021** given an uptick in demand for corporate long stays and leisure travel during the summer school holidays
- **Received S\$9.8 mil in termination fee income** following the termination of divestments of Citadines Xinghai Suzhou and Citadines Zhuankou Wuhan in 1Q 2021
- **Recognised gain of S\$124.5 mil** from the divestment of Somerset Xu Hui Shanghai in 2Q 2021



Covid-19 situation generally under control; localised lockdowns imposed on areas experiencing a resurgence



International borders remain closed except for green lane arrangements



Domestic travel permitted

Notes: Updates on travel and movement restrictions above as at 26 July 2021

1. Excluding Ascott Guangzhou and Somerset Xu Hui Shanghai which were divested in December 2020 and May 2021 respectively

2. Excluding Somerset Xu Hui Shanghai which was divested in May 2021

France

Recovery in 2Q 2021 on summer leisure travel demand



8% of total assets: 15 Master Leases¹

- 1H 2021 revenue and gross profit were lower due to the **divestment of 2 properties and softer demand**, which resulted in lower rental income under the current master lease structure which has a variable rent component
- In 1Q 2021, 5 ART France properties were **temporarily closed**² due to movement restrictions but continued to receive fixed rent under the master lease arrangements
- All temporarily closed properties were progressively **reopened in 2Q 2021** to capture the **summer holiday demand**
- **Long stays, corporate, student and cultural group bookings** supported occupancies during the lockdown
- In June 2021, ART's France portfolio registered **healthy occupancy of c.70%, with regional cities performing better** than city-centre properties
- **Positive momentum expected to continue into 3Q 2021**, with c.60% of the population having received at least one dose of vaccine and the government's target to achieve a 100% vaccination rate



Third national lockdown imposed from April to May 2021; nationwide curfew lifted on 20 June 2021



International borders open to countries under green, orange and red lists, subject to Covid-19 test and quarantine requirements



Domestic travel permitted

Notes: Updates on travel and movement restrictions above as at 26 July 2021

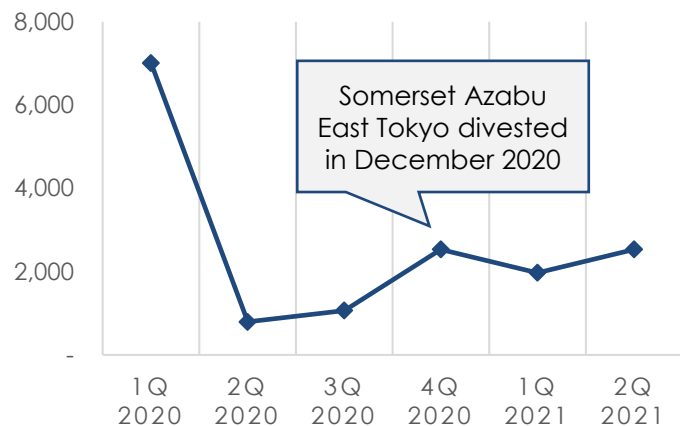
1. Excluding Citadines Didot Montparnasse Paris which was divested in May 2021

2. The 5 properties were Citadines Les Halles Paris, Citadines Republique Paris, Citadines Maine Montparnasse Paris, La Clef Louvre Paris and Citadines Croisette Cannes

Japan

Stable income sources partially mitigate impact of movement curbs

REVPAU (JPY)



State of emergency (SoE) / quasi-SoE across most regions in 1H 2021; Tokyo and Osaka to remain under SoE and quasi-SoE respectively until 22 August 2021



International borders closed except to nationals and long-term visa holders



Domestic travel discouraged under state of emergency

20% of total assets: **3** Master Leases; **5** serviced residences/hotels under Management Contracts (MC) and **14** rental housing properties under MC

- **1H 2021 revenue and gross profit were lower y-o-y** due to the divestment of Somerset Azabu East Tokyo and impact of Japan's state of emergency
- On a same-store basis¹, 1H 2021 revenue and gross profit for MC were 8% and 12% lower y-o-y respectively

MC – Serviced Residences

- **RevPAU increased 28% q-o-q to JPY2,538² in 2Q 2021** due to higher domestic leisure demand during the holiday seasons, and month-long corporate bookings at 2 of the serviced residences in April 2021
- Hotel WBF Kitasemba East and Hotel WBF Kitasemba West in Osaka remained closed in 1H 2021 due to poor demand; both properties constitute c.2% of ART's total operating units

- Uplift expected for the 2 Tokyo properties which have secured **group bookings for Olympic Games** in 3Q 2021

MC – Rental Housing

- Continued to provide resilience to the portfolio with **occupancies of >90%**
- Acquisitions of 3 new properties completed in June 2021

Master Leases

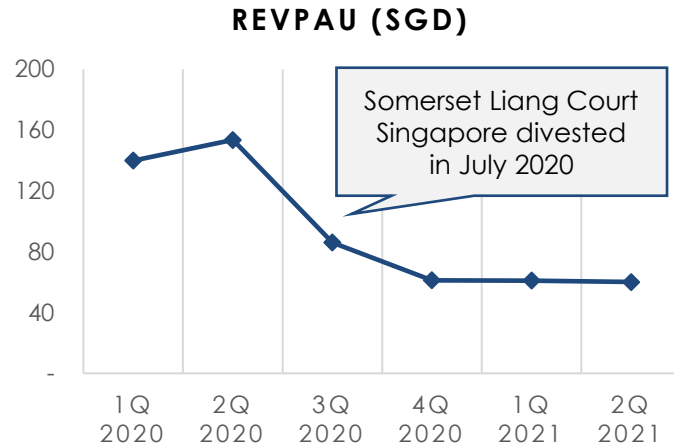
- **Continued to receive fixed rent** despite 2 of the properties in Osaka³ being temporarily closed from May; both properties have reopened in July 2021
- **Domestic travel expected to pick up** with government's drive to vaccinate all willing residents by November 2021

Notes: Updates on travel and movement restrictions above as at 26 July 2021

1. Excluding Somerset Azabu East Tokyo which was divested in December 2020 and the 3 rental housing properties which were acquired in June 2021
2. Pertains to the serviced residences under management contracts only
3. The 2 properties were Hotel WBF Honmachi and Sotetsu Grand Fresa Osaka-Namba

Singapore

Stable performance q-o-q due to government block bookings



Currently in Phase 2 (Heightened Alert) of reopening



International borders remain closed except for green lane and official business travel arrangements



Hotels approved by Singapore Tourism Board can accept staycation bookings

18% of total assets: **2** Master Leases; **1** Management Contract

Management Contract

- 1H 2021 revenue **was lower y-o-y** mainly due to the cessation of operations and **sale of partial GFA of Somerset Liang Court Singapore**; on a same-store basis¹, revenue and gross profit were lower by S\$0.8 mil and S\$1.2 mil respectively
- Softer revenue y-o-y was also due to **lower contracted rates** under the government booking, compared to 1H 2020 (2Q 2020 revenue was mainly from housing workers affected by the border closure)
- **RevPAU² was stable q-o-q at S\$60 in 2Q 2021** as Citadines Mount Sophia Singapore was under a government contract and expected **to remain booked through 3Q 2021**

Master Leases

- **1H 2021 revenue was higher y-o-y** as rental waivers were granted in 1H 2020
 - **Long stays, corporate and staycation bookings** were key drivers for Ascott Orchard Singapore; corporate and relocation enquiries have gradually increased
 - Park Hotel Clarke Quay (PHCQ) block booked by the government since May 2021
 - PHCQ is in the process of being repossessed by ART and the Managers are assessing options for the operations of the property; a provision of S\$5.3 mil has been made in 1H 2021 for the outstanding rents and the master lease (expiring in 2023) will subsequently be terminated
-
- c.50% of Singapore's population fully vaccinated; Singapore government plans to **reopen international borders progressively** when the situation stabilises

Notes: Updates on travel and movement restrictions above as at 26 July 2021

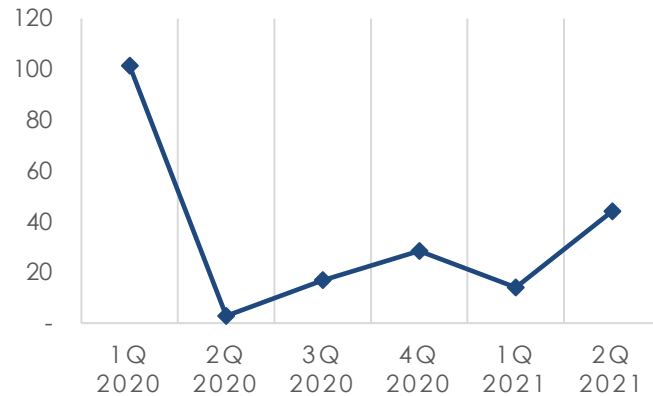
1. Excluding Somerset Liang Court Singapore, which was divested in July 2020

2. Pertains to the property under management contract, Citadines Mount Sophia Singapore, only

United Kingdom

Domestic recovery spurred by easing of restrictions and pent-up demand

REVPAU (GBP)



Lockdown progressively eased from April to July 2021



International borders open to countries under green and amber lists, subject to Covid-19 test and quarantine requirements



Domestic travel permitted

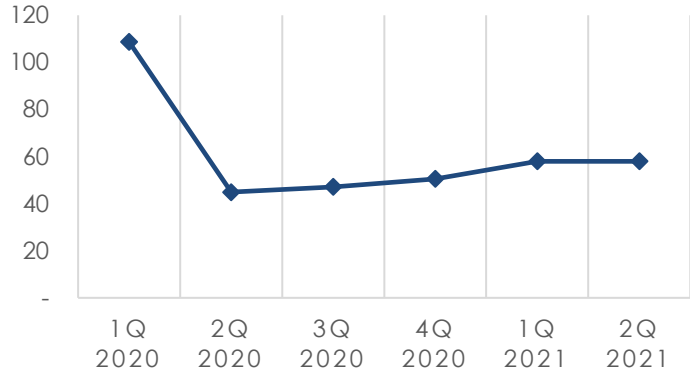
7% of total assets: 3 Management Contracts; 1 Management Contract with Minimum Guaranteed Income (MCMGI)

- **1H 2021 revenue and gross profit were lower y-o-y** as restrictions were imposed on UK hotels under the country's lockdown system
 - Income top-up mitigated the softer performance of Citadines South Kensington London, under MCMGI arrangement
 - Decline in gross profit was partially mitigated by lower staff costs, property tax and other expenses
- **Long stays by student groups and corporates** formed a stable occupancy base at the properties
- **RevPAU increased 214% q-o-q to GBP44 in 2Q 2021** following the relaxation of measures in May 2021 and increase in **domestic leisure travel** during the summer holidays
- **Positive momentum expected to continue into 3Q 2021** with c.70% of the population having received at least one dose of vaccine

United States

Recovery picks up pace with greater confidence in travel

REVP AU (USD)



Many states, including New York, have fully reopened



International travel restrictions on arrivals from Europe



Domestic travel generally permitted as most states have eased travel restrictions

13% of total assets: **3** hotels under Management Contracts (MC) and **1** student accommodation under MC

- **1H 2021 revenue was lower y-o-y** mainly due to lower occupancies and renovation of Hotel Central Times Square; **gross profit was higher y-o-y** due to lower staff costs and marketing expense

Hotels

- **RevPAU stable q-o-q at USD58¹ in 2Q 2021**
- Occupancy at Sheraton Tribeca New York remained high through 1H 2021 due to a **block booking**
- RevPAU at Element New York Times Square West increased q-o-q mainly due to **higher leisure demand**
- **Outlook positive with steady increase in corporate group enquiries**, as more of the population becomes vaccinated and returns to office

- **Renovation of Hotel Central Times Square commenced** in April 2021 and rebranded property expected to launch in 4Q 2021; property remains operational

Student Accommodation

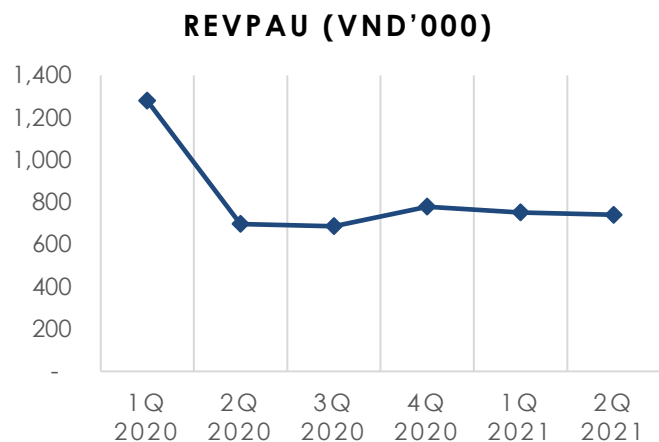
- Paloma West Midtown, student accommodation property acquired in February 2021, registered **occupancy of >95% year-to-date and is 97% pre-leased for Fall 2021** as of July 2021
- Entered into **joint development** with Sponsor and third-party US partner for a student accommodation property in South Carolina in June 2021; construction is expected to complete in 2Q 2023

Notes: Updates on travel and movement restrictions above as at 26 July 2021

1. Pertains to the 3 hotels and excludes the student accommodation property

Vietnam

Long stays continue to provide resilience



3% of total assets: 4 Management Contracts

- **1H 2021 revenue and gross profit were lower y-o-y** mainly due to softer demand
- **2Q 2021 RevPAU decreased 2% q-o-q to VND 740,000**, on the back of a resurgence and tightening of movement controls to curb the spread of the Delta variant since May 2021
- **New reservations were impacted** as flights were reduced, and discretionary domestic travel was put on pause
- **Long stays, corporate guests and project groups** formed majority of the properties' bookings, providing a resilient occupancy base
- **Vietnam's economic prospects remain bright**, with GDP growth accelerating in 2Q 2021 to 6.6% on strong performance from the manufacturing sector¹



Tightened social-distancing measures in place since May 2021; Ho Chi Minh City and Hanoi are under lockdown until early-August



International borders remain closed with limited flights



Domestic travel permitted but flights have been reduced

Notes: Updates on travel and movement restrictions above as at 26 July 2021

1. Source: ICIS, "Vietnam GDP growth accelerates in Q2 on strong industry output", 29 June 2021