







ascendas Hospitality Trust
A Member of CapitaLand

ASCENDAS HOSPITALITY TRUST

1Q FY2019 Financial Results Presentation

1 August 2019

Disclaimer

This presentation shall be read in conjunction with A-HTRUST's Unaudited Financial Results for the First Quarter ended 30 June 2019 ("1Q FY2019"), 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.

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2. Portfolio Performance
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1. Financial Review



ibis Ambassador Seoul Insadong, Seoul, South Korea

Results Summary – 1QFY2019

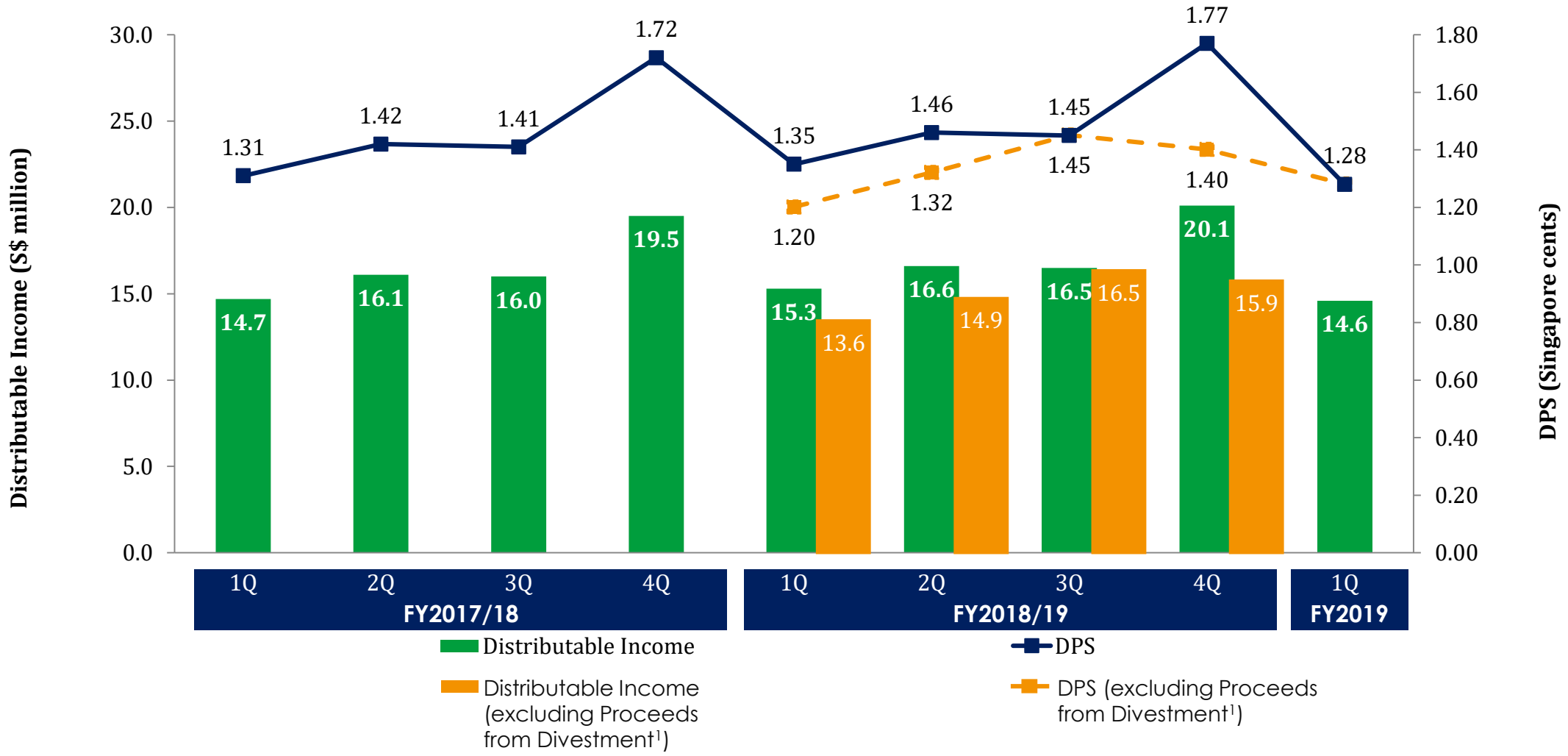
S$' million	1st Quarter FY2019[1]	1st Quarter FY2018/19	Change[2]
Gross Revenue[3]	46.5	44.9	3.5%
Net Property Income[3]	21.3	18.7	13.6%
NPI Margin (%)	45.7	41.6	4.1pp
Income available for distribution	15.6	16.4	(5.1)%
- Operations	*15.6*	*14.6*	*6.4%*
- Proceeds from Divestment	-	*1.8*	-
Income available for distribution net of retention[4]	14.6	15.3	(4.8)%
DPS (cents)[4]	1.28	1.35	(5.2)%
Adjusted DPS (cents)	1.28	1.20[5]	6.7%

- Full quarter contribution from all five newly acquired hotels
- Partially offset by lower contribution from Australia portfolio which was impacted by weaker AUD against SGD

- Excluding the partial distribution of proceeds from the sale of hotels in China of the corresponding quarter last year, DPS would increased by 6.7% y-o-y from 1.20 cents in 1Q FY2018/19

1. The current financial year end will be a 9-month period from 1 April 2019 to 31 December 2019 following the change of financial year end to 31 December.
2. Save for DPS, percentage changes are based on figures rounded to nearest thousands.
3. Gross revenue and net property income for the corresponding period last year excluded contribution from the China portfolio, which was divested on 18 May 2018. Including contribution from the China portfolio, gross revenue and NPI for 1Q FY2018/19 were S$48.2 million and S$20.2 million, respectively.
4. Retention of distributable income for 1Q FY2019 and 1Q FY2018/19 was 6.7% and 7.0% respectively.
5. Excluding the partial distribution of proceeds from the sale hotels in China.

Distribution History



1. Excluding the partial distribution of proceeds from the divestment of Novotel Beijing Sanyuan and ibis Beijing Sanyuan.

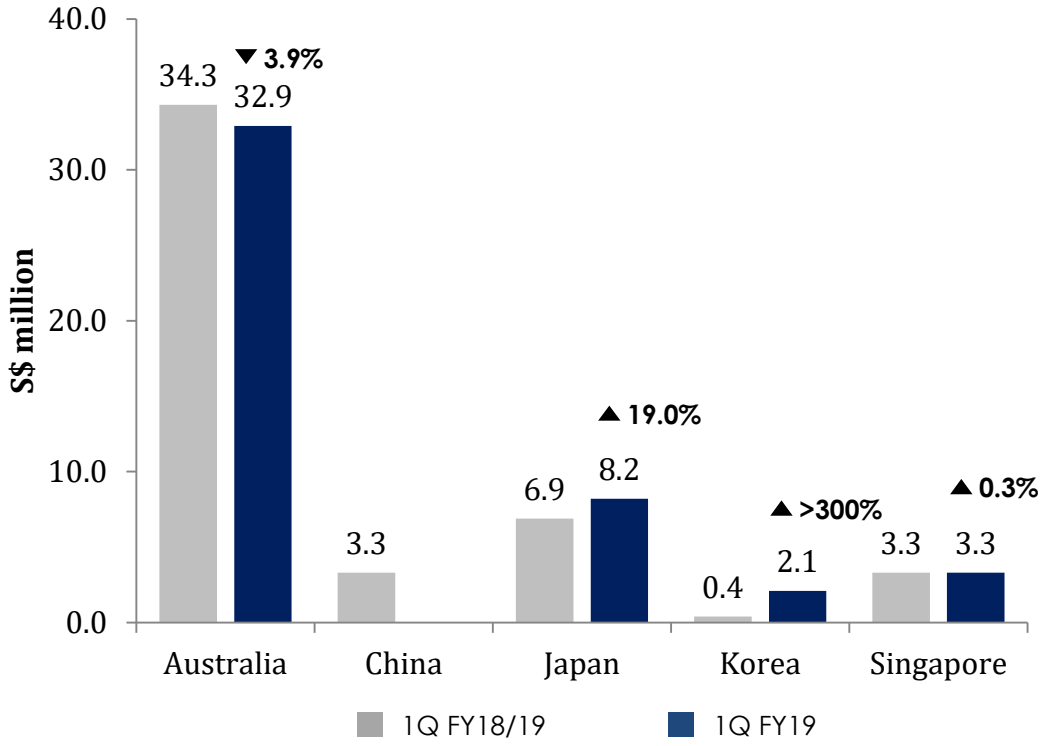
2. Portfolio Performance



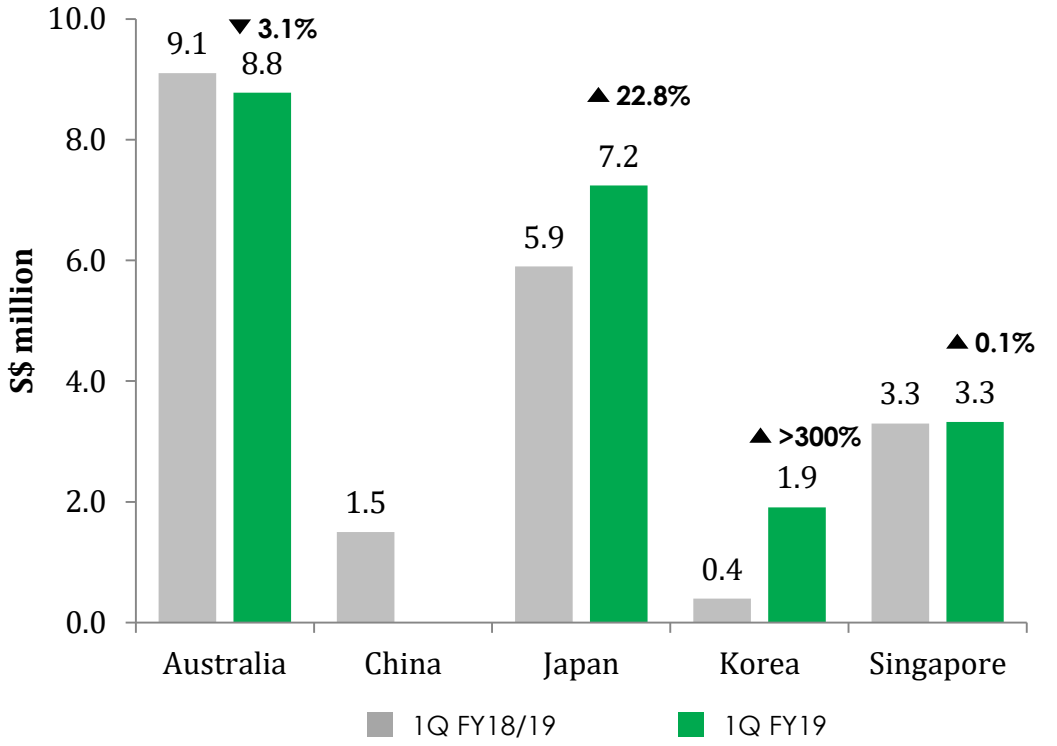
Pullman and Mercure Brisbane King George Square, Brisbane, Australia

Performance by Country

Gross Revenue



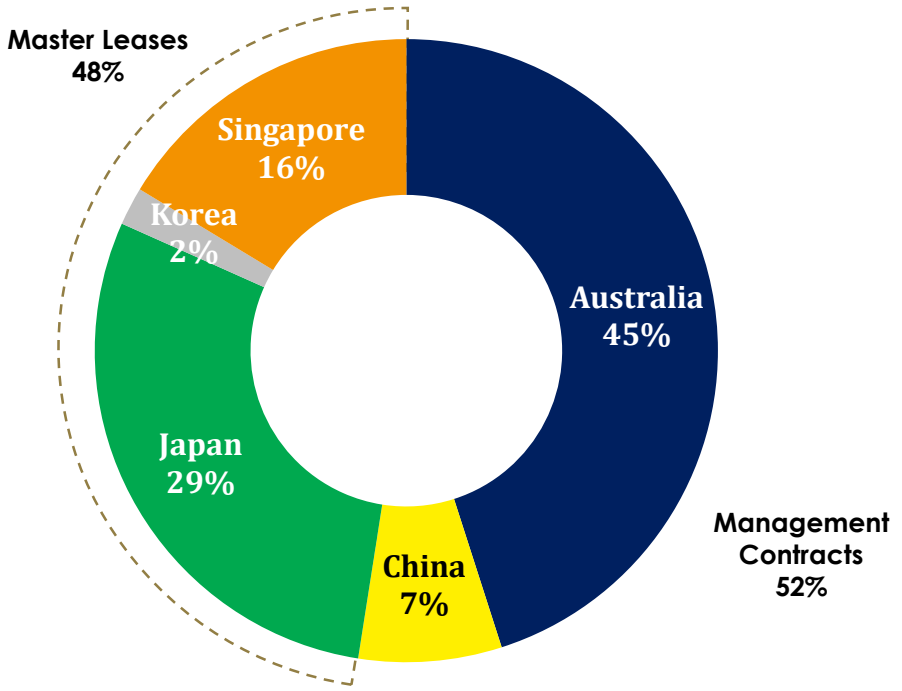
Net Property Income



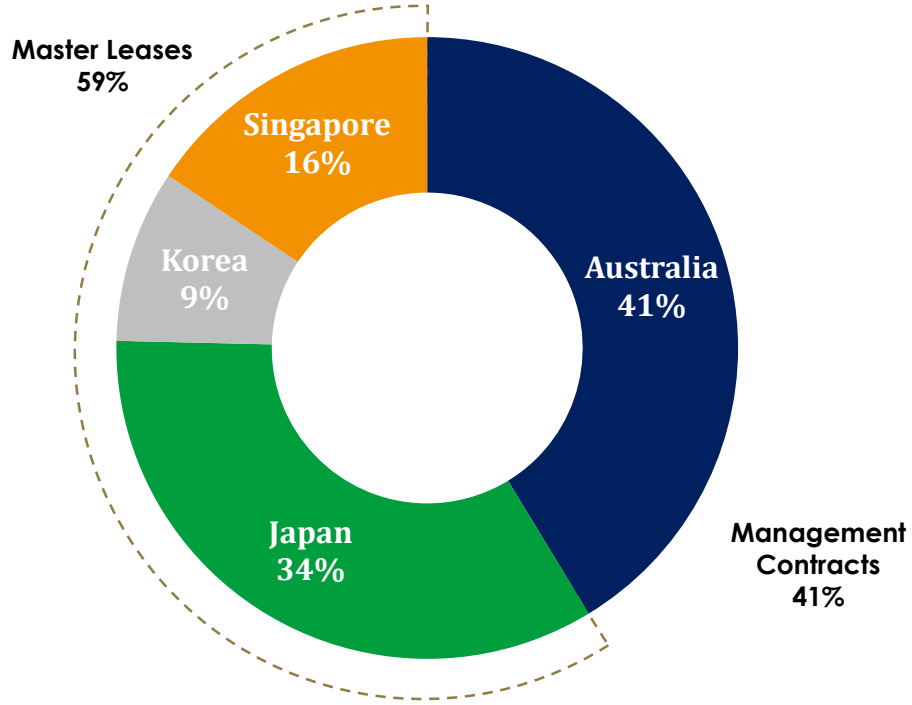
- Full-quarter contribution from all five hotels acquired in FY2018/19.
- Australia portfolio impacted by weaker AUD against SGD.

Added income stability

1Q FY2018/19 Net Property Income



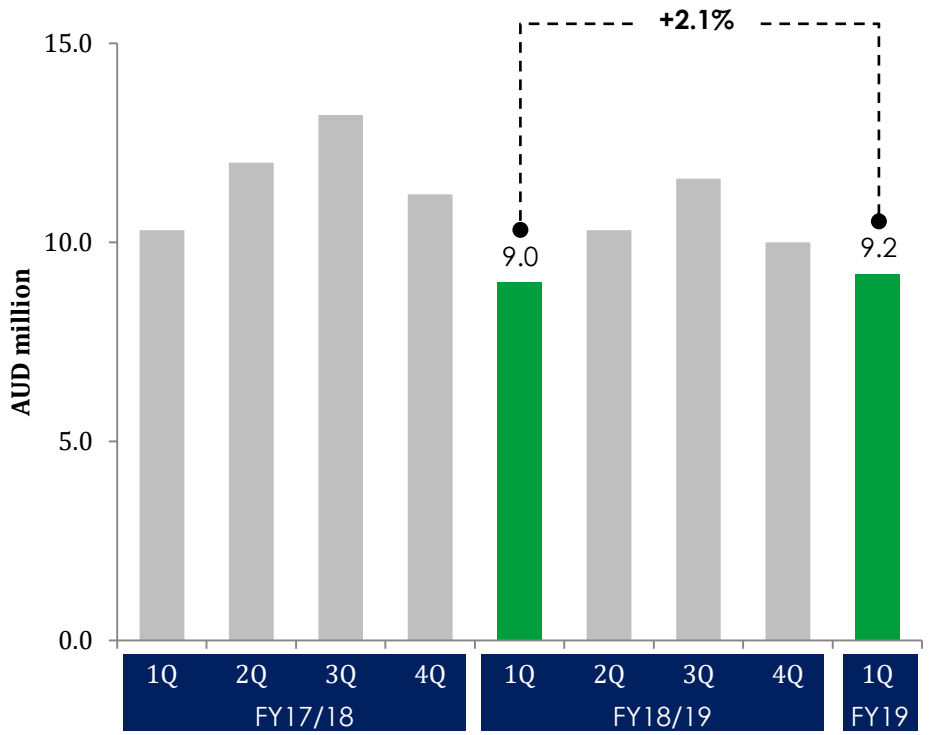
1Q FY2019 Net Property Income



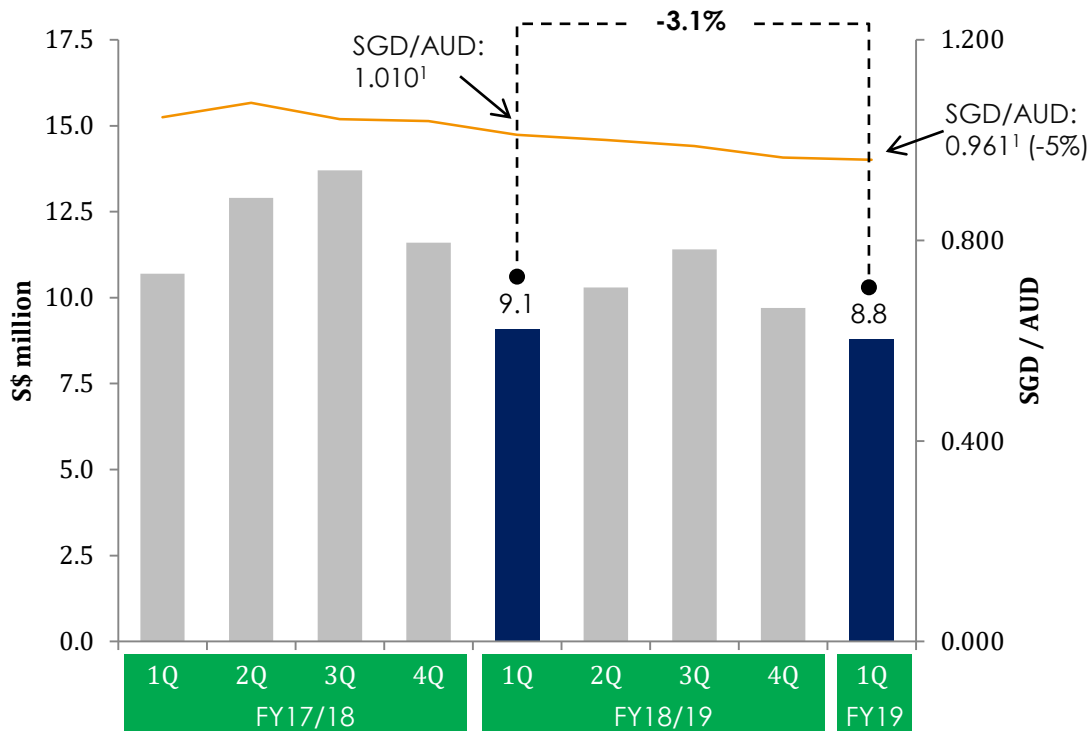
- The five hotels acquired in FY2018/19 are all under master leases and have contributed on a full-quarter basis in 1Q FY2019, resulting in added stability to the overall income of the trust.

Australia – Respite amidst headwinds

Net Property Income in AUD



Net Property Income in SGD

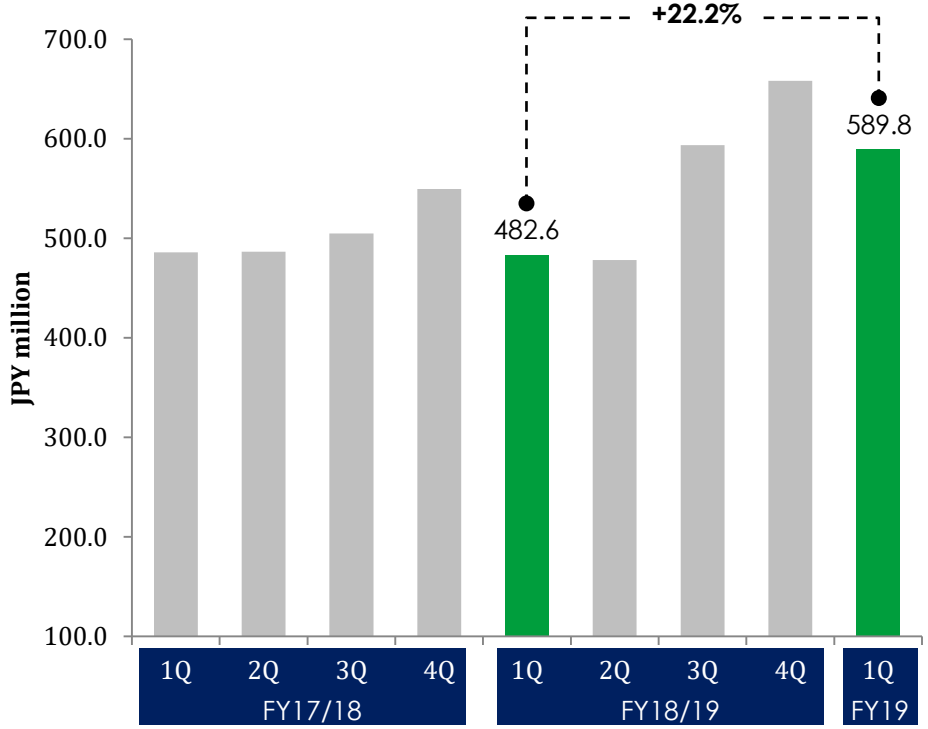


- Headwinds in Sydney and Melbourne markets resulted in RevPAR decline of 2.2% y-o-y. Despite the challenges, the performance of Pullman Sydney Hyde Park improved on the back of stronger conference and events business during the quarter.
- Hotel in Melbourne received refund of land tax surcharge to post higher NPI, while performance of Brisbane hotel improved driven by growth in both occupancy and average room rates.

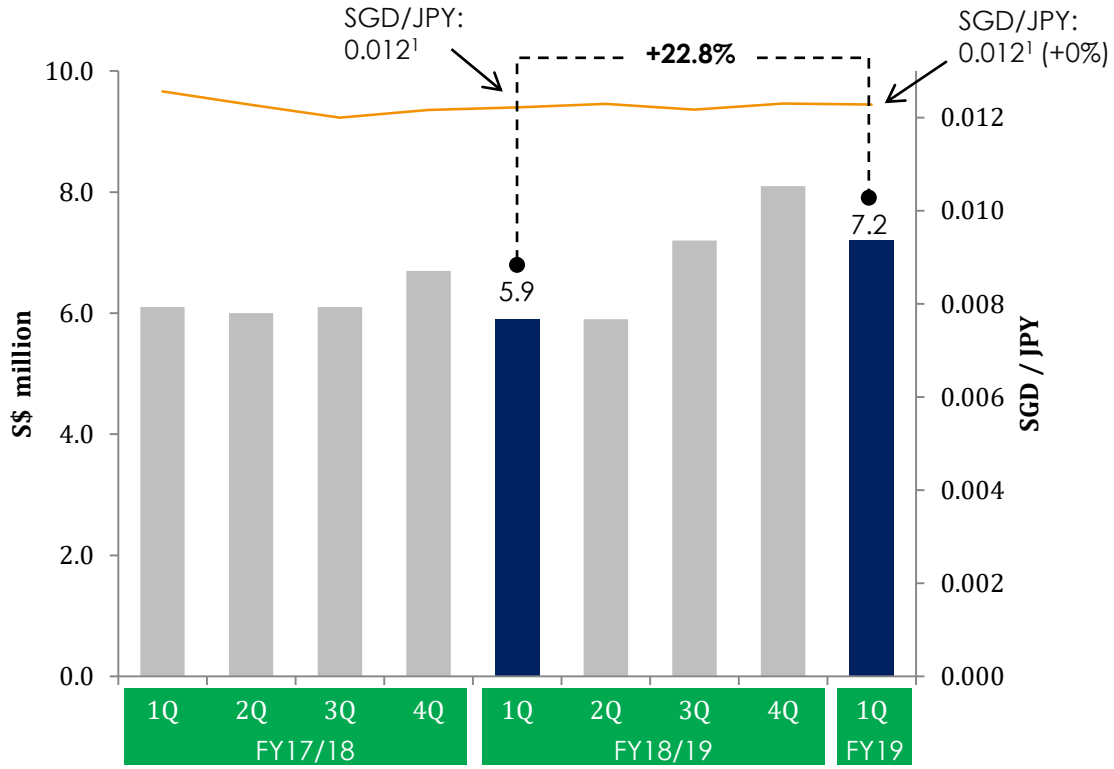
1. Based on average rate used for the respective quarter.

Japan – Acquisitions drive growth

Net Property Income in JPY



Net Property Income in SGD

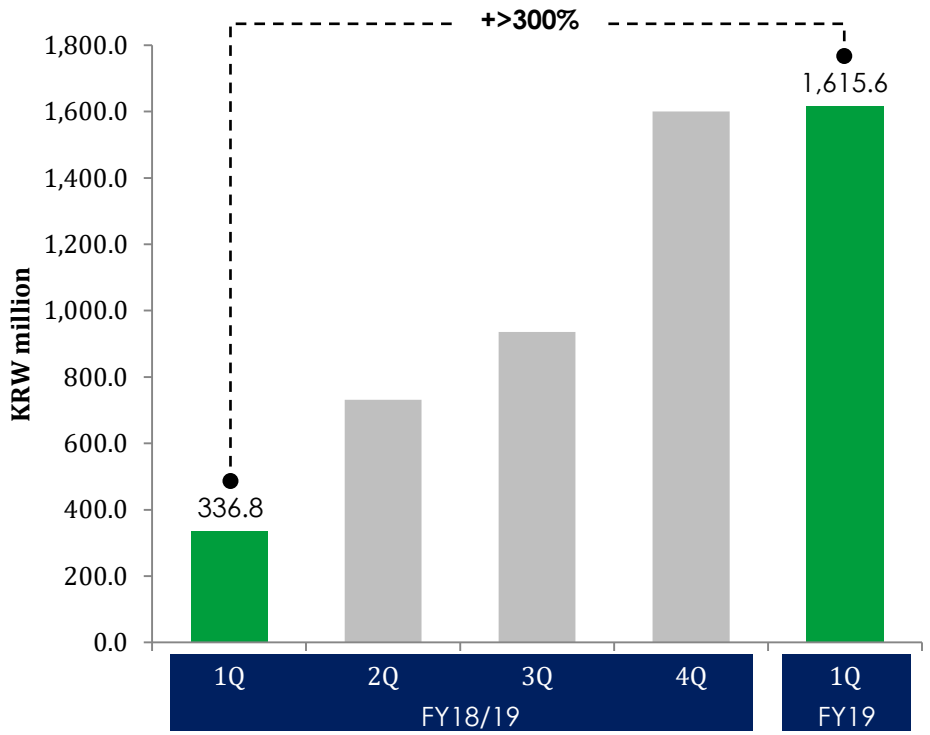


- The contribution from Japan portfolio in 1Q FY2019 was boosted by full-quarter contribution from the three WBF-branded hotels acquired in FY2018/19, as NPI grew by 22.2% y-o-y in JPY term.
- During the quarter, Hotel Sunroute Osaka Namba was rebranded as Sotetsu Grand Fresa Osaka-Namba, with no change to the terms of master lease, as the operator seeks to market the hotel as a premium product.

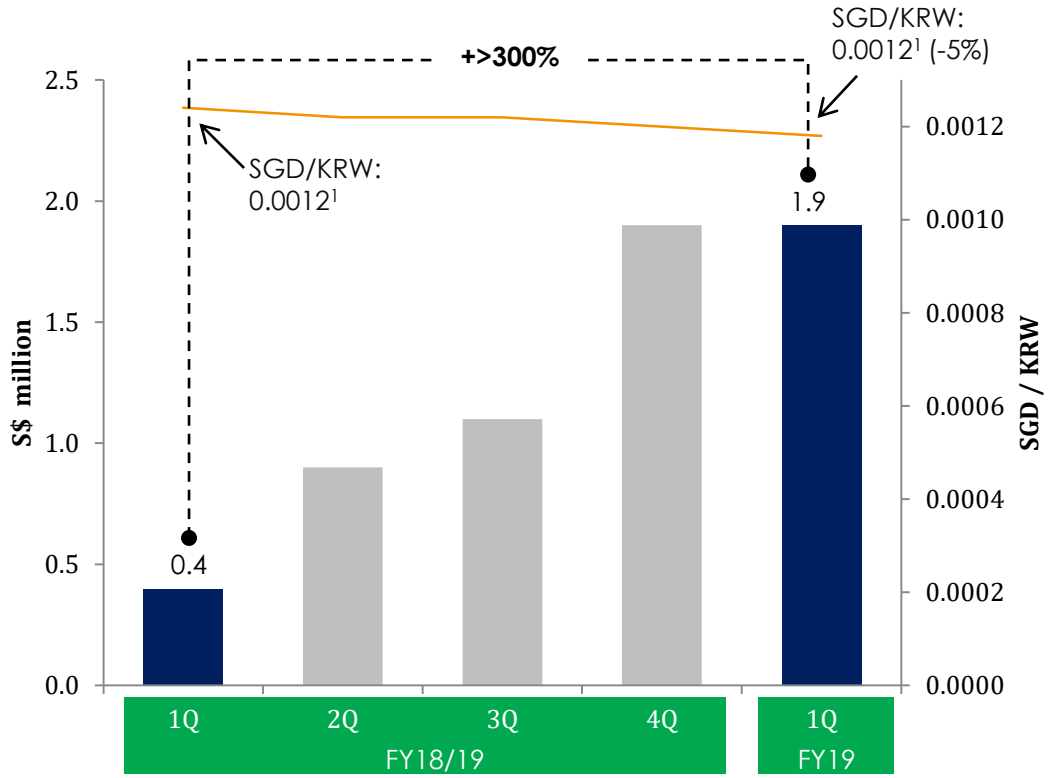
1. Based on average rate used for the respective quarter.

South Korea – Added income stability

Net Property Income in KRW



Net Property Income in SGD

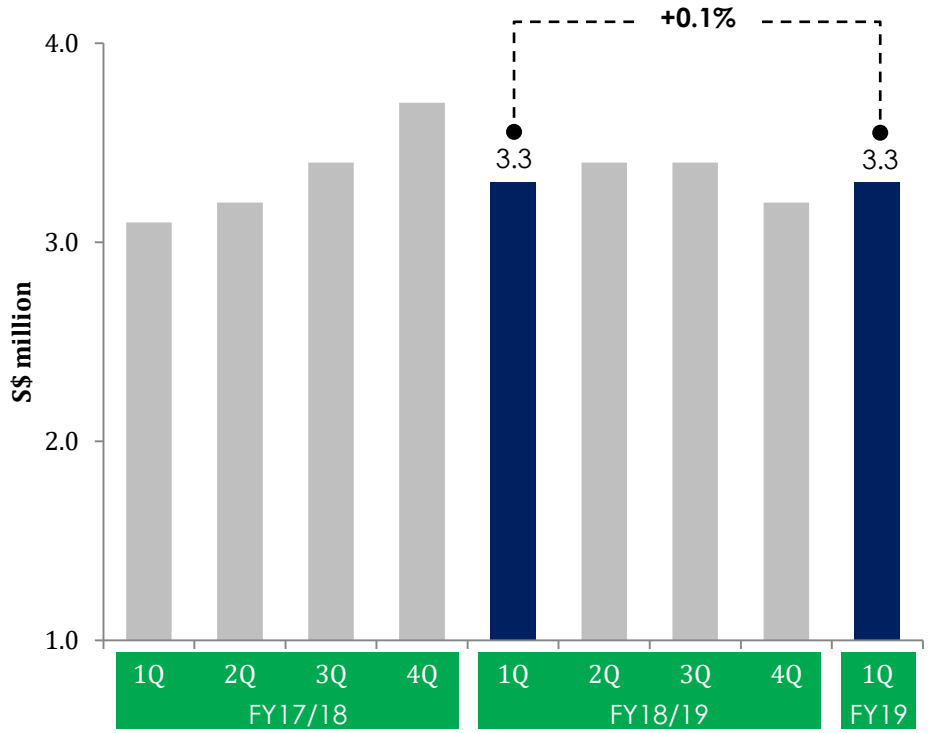


- Full-quarter contribution from both The Splaisir Seoul Dongdaemun and ibis Ambassador Seoul Insadong resulted in the NPI from South Korea improving by more than 3 times compared to the same quarter last year.
- The underlying performance of both hotels improved as RevPAR of the two hotels increased by approximately 10% y-o-y on average.

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

Singapore – Master lease mitigates downside

Net Property Income in SGD



- The underlying performance of the hotel was affected by lower transient and corporate business during the quarter.
- However, this was mitigated by the master lease arrangement and the contribution from the Park Hotel Clarke Quay was relatively stable compared to the corresponding quarter last year.

3. Capital Management



Park Hotel Clarke Quay, Singapore

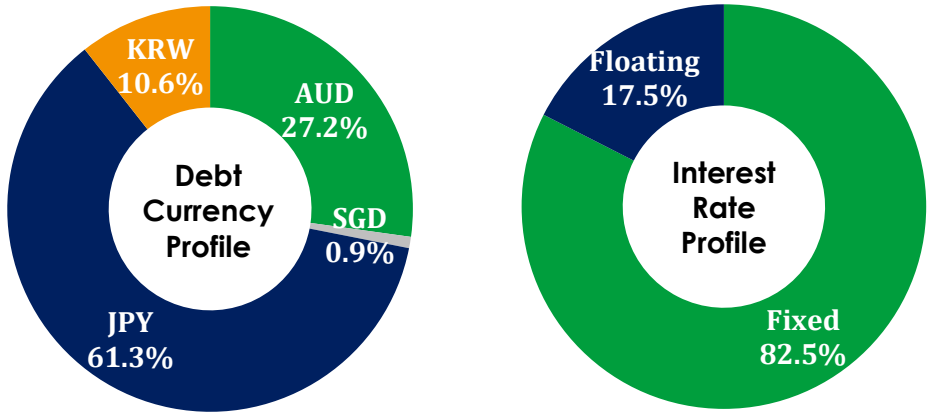
Prudent capital management

	As at 30 June 2019	As at 31 March 2019
Borrowings (S$ m)	646.8	643.6
Total Assets (S$ m)	1,909.6	1,938.4
A-HTRUST Gearing (%)	34.1	33.2
- A-HREIT Gearing (%)	*35.6*	*35.0*
- A-HBT Gearing (%)[1]	*32.6*	*31.7*
A-HTRUST Interest Cover (times)[2]	12.8	12.7
Average interest rate (%)	1.9	2.0
Weighted average debt to maturity (years)	3.5	3.8
Net asset value per stapled security (S$)	0.99	1.02

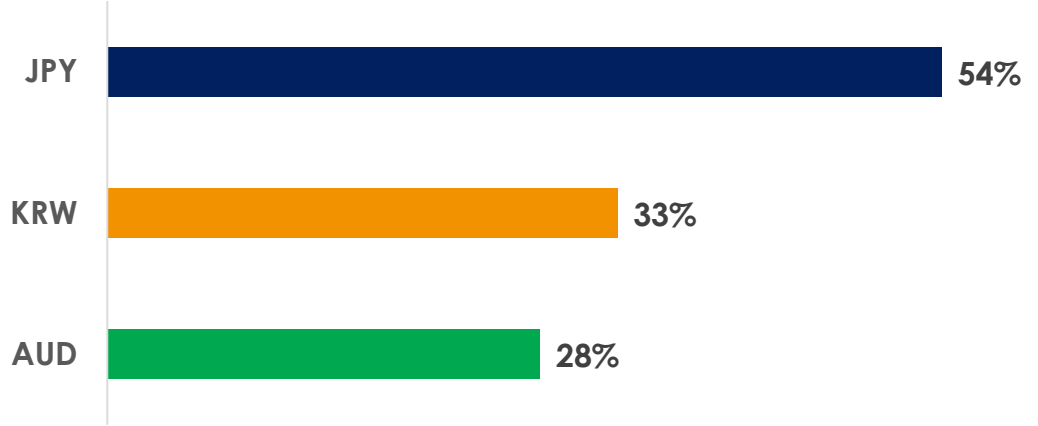
1. Does not include SFRS(I) 16 Leases accounting adjustments recorded in A-HBT's financial statements.
2. Blended basis, computed based on earnings before interest, tax, depreciation and amortisation over interest expenses.

Balanced debt profile

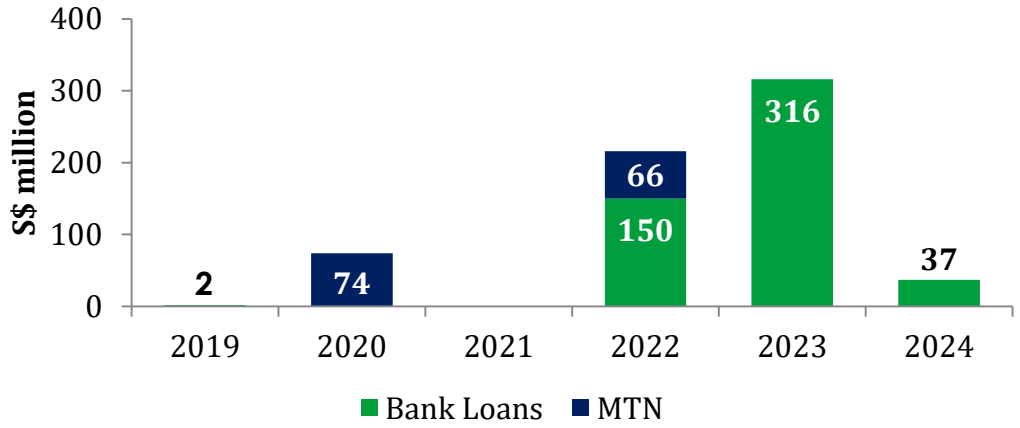
Debt Profile



Balance Sheet Hedging



Debt Maturity Profile



- High proportion of borrowings in fixed rates.
- No significant refinancing requirements until 2020.

4. Looking Ahead



Pullman Sydney Hyde Park, Sydney, Australia

Australia


Pullman Sydney Hyde Park


Novotel Sydney Parramatta


Novotel Sydney Central


Pullman & Mercure Melbourne Albert Park

AUSTRALIA PORTFOLIO

Properties: 6

Land Tenure: All freehold

Number of Rooms: 1,702

Valuation: AUD638.0 million[1]

Outlook

- Demand for hotel accommodation in Sydney is expected to remain robust in the near term although increase in supply may place downward pressure on room rates.
- Looking ahead, the Melbourne hotel market conditions are expected to remain soft over the medium term as new supply of hotel rooms enters the market.
- Comparatively limited upcoming supply of rooms over the near term can help to lift the performance of the hotel market in Brisbane, which is further supported by the new runway in Brisbane Airport, scheduled to open in 2020.


Courtyard by Marriott Sydney-North Ryde


Pullman & Mercure Brisbane King George Square

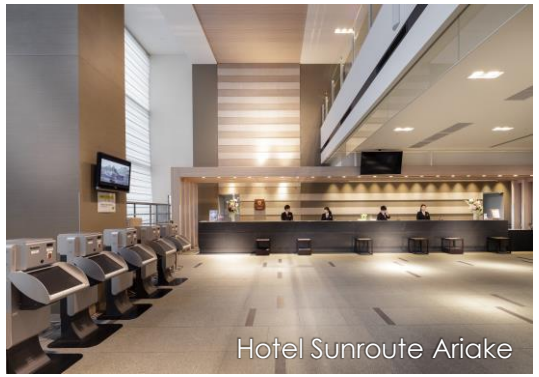
1. As at 31 March 2019.

Japan

Outlook

- The hotel sector in the cities of Tokyo and Osaka are expected to benefit from the Rugby World Cup 2019, which is expected to draw both international and domestic travellers.
- In addition, the hotel market in Tokyo will be supported by the 2020 Olympics while a new attraction in Universal Studios Japan, slated to open in 2020, provides further boost to the hotels in Osaka.
- However, the Osaka hotel market is facing more supply of rooms in the medium term.


Hotel Sunroute Ariake


Hotel Sunroute Ariake


Sotetsu Grand Fresa Osaka-Namba[1]


Sotetsu Grand Fresa Osaka-Namba[1]


Hotel WBF Kitasemba East


Hotel WBF Kitasemba West


Hotel WBF Honmachi

JAPAN PORTFOLIO

Properties: 5

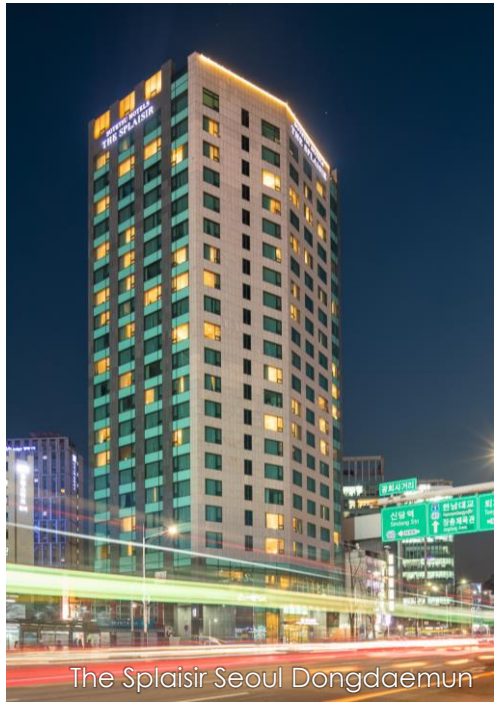
Land Tenure: All freehold

Number of Rooms: 2,128

Valuation: JPY57,050.0 million[2]

1. Formerly known as Hotel Sunroute Osaka Namba.
2. As at 31 March 2019.

South Korea


The Splaisir Seoul Dongdaemun


The Splaisir Seoul Dongdaemun


The Splaisir Seoul Dongdaemun

Outlook

- Recovering demand from China and steady growth from other source markets have resulted in strong y-o-y growth of 16.9% in foreign arrivals into South Korea for the period YTD June 2019[1].
- With moderate upcoming supply in Seoul, increase in inbound travellers is expected to continue driving the performance of the hotel market.

SOUTH KOREA PORTFOLIO

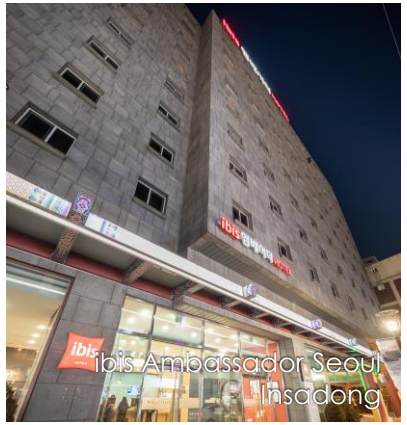
Properties: 2

Land Tenure: All freehold

Number of Rooms: 578

Valuation: KRW161,500.0 million[2]


ibis Ambassador Seoul Insadong


ibis Ambassador Seoul Insadong

1. Source: Korea Tourism Organization.
2. As at 31 March 2019 and based on 100% interest in the hotels. A-HTRUST holds 98.7% and 98.8% interest in The Splaisir Seoul Dongdaemun and ibis Ambassador Seoul Insadong, respectively. The remaining interest in the hotels are held by a sponsor-related entity.

Singapore







SINGAPORE PORTFOLIO

Properties: 1

Land Tenure: 99 years expiring 2105

Number of Rooms: 336

Valuation: S$325.0 million[2]



Outlook

- International arrivals into Singapore remained healthy with YTD May 2019 figures posting a 1.5% y-o-y growth to 7.8 million[1], and greater connectivity to Singapore via new air routes is expected to continue driving inbound arrivals.
- Amidst relatively modest supply, the growth in inbound travellers bodes well for the hotel sector in the near term but weaker corporate demand will pose headwinds for the sector.

1. Source: Singapore Tourism Board.
2. As at 31 March 2019.









Thank you

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