



NEWS RELEASE

For immediate release

CapitaLand Ascott Trust increases gross profit by 12% through sustained lodging demand and stronger operating performance ***Continued portfolio reconstitution efforts enhance resilience and provide capacity for future growth***

Singapore, 26 July 2024 – CapitaLand Ascott Trust (CLAS) increased its 1H 2024 gross profit by 12% year-on-year (y-o-y) to S\$172.9 million. Revenue also rose by 11% y-o-y, reaching S\$386.4 million. The increase was mainly on the back of sustained lodging demand and stronger operating performance. On a same-store basis, gross profit and revenue increased by 3% and 4% y-o-y respectively.

As demand for international travel continued to increase, CLAS' revenue per available unit (REVPAU¹) for 1H 2024 grew 5% to S\$145, compared to 1H 2023. On a quarterly basis, CLAS' REVPAU for 2Q 2024 went up by 4% y-o-y to S\$155. This exceeds pre-pandemic levels, at 102% of 2Q 2019 pro forma REVPAU². All key markets also performed at or above pre-pandemic levels on a same-store basis. The increase in REVPAU was a result of higher room rates, with key markets Japan and United States of America (USA) leading the growth.

Distribution per Stapled Security (DPS) for 1H 2024 was 2.55 cents. Acquisitions, completed asset enhancement initiatives (AEIs) and interest savings from the repayment of higher-interest debt mitigated the impact of divestments and ongoing AEIs, while the depreciation of most foreign currencies against the Singapore Dollar affected distributions. Excluding the lower level of non-periodic items³, adjusted DPS for 1H 2024 was relatively stable at 2.41 cents. Total distribution for 1H 2024 was S\$96.5 million, comparable to S\$96.3 million in 1H 2023.

Mr Lui Chong Chee, Chairman of CapitaLand Ascott Trust Management Limited and CapitaLand Ascott Business Trust Management Pte. Ltd. (the Managers of CLAS), said: "CLAS' operating performance remains robust, delivering double-digit growth for revenue and gross profit in 1H 2024. We continue to press forward with our portfolio reconstitution efforts to enhance CLAS' portfolio resilience and position CLAS for future growth. In the past year, CLAS announced divestments of S\$408.1 million across 10 mature assets⁴. Divested at a premium to book value, we will unlock about S\$44.6 million in gains, at an average exit yield

¹ Revenue per available unit of properties excludes master leases, rental housing and student accommodation.

² The combination with Ascendas Hospitality Trust (A-HTRUST) was completed on 31 Dec 2019 and the 2019 pro forma figures include the performance of the A-HTRUST portfolio.

³ Non-periodic items in 1H 2023 and 1H 2024 relate to realised exchange gain arising from the settlement of cross currency interest rate swaps.

⁴ The 10 properties comprise four properties in regional France, two properties in Australia, three properties in Japan and one property in Singapore.

of about 3.8%⁵. This strengthens our financial capacity to redeploy capital towards optimal and accretive uses. We remain committed to delivering long-term returns to Stapled Securityholders.”

Ms Serena Teo, Chief Executive Officer of the Managers of CLAS, said: “Part of the divestment proceeds has also been used to pare down higher-interest debt, keeping our gearing healthy at 37.2% and delivering accretion as we evaluate opportunities to redeploy the capital. In 1H 2024, we have also completed AEI for four of our properties⁶. Located in key gateway cities, they are well-positioned to capture demand from tourism, business activities and events.”

“Looking ahead, as pent-up demand for travel moderates, regular travel patterns and seasonality are expected to return in more markets. CLAS maintains a cautiously positive view on the demand for lodging. In 1H 2024, stable income sources contributed about 65% of CLAS’ gross profit, while the remaining 35% was from growth income sources. CLAS’ operational performance is expected to remain resilient. Our geographic diversification, range of lodging asset classes and different contract types provide a strong foundation amidst global uncertainties,” added Ms Teo.

Driving growth via CLAS’ active portfolio reconstitution strategy

CLAS enhances the quality and returns of its portfolio through its active portfolio reconstitution strategy. In June 2024, CLAS acquired the remaining 10% stake in Standard at Columbia, a freehold student accommodation property in South Carolina, USA. The earnings before interest, taxes, depreciation and amortisation (EBITDA) yield on CLAS’ total investment cost is expected to be approximately 7%. The acquisition was funded by proceeds from CLAS’ divestments.

In January 2024, CLAS also completed the turnkey acquisition of Teriha Ocean Stage, a 258-unit rental housing property in Fukuoka, Japan at an estimated net operating income yield of about 4% on a stabilised basis and expected pro forma DPS accretion of 0.5%. In 1H 2024, CLAS’ longer-stay properties comprising student accommodation and rental housing properties achieved a strong average occupancy rate of over 90%.

CLAS’ AEI plans are also progressing well. The remaining four properties⁷ under AEI are expected to be completed in phases from 2H 2024 to 2026. Additionally, construction of the new Somerset serviced residence at the popular riverfront lifestyle and entertainment precinct of Clarke Quay is slated for completion in 2026. These initiatives, when completed, are expected to uplift CLAS’ distribution income.

CLAS remains in a healthy financial position

CLAS remains in a healthy financial position and continues to adopt an active and prudent approach towards capital management. CLAS’ average cost of debt remains low at 3% per

⁵ The exit yield of the France and Australia properties is computed based on FY 2022 Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA). The exit yield of the Japan portfolio is not meaningful and has not been included in the average exit yield computation as the properties were largely closed in 2022. If included, the average exit yield will be about 2.8%.

⁶ The Robertson House by The Crest Collection, Citadines Les Halles Paris, Citadines Kurfürstendamm Berlin and La Clef Tour Eiffel Paris.

⁷ Citadines Holborn-Covent Garden London, Temple Bar Hotel Dublin, The Cavendish London and Sydney Central Hotel.

annum as at 30 June 2024. It is expected to be stable through to the end of 2024, as about 82% of CLAS' debt is effectively on fixed rates and the weighted average debt to maturity is 3.6 years. Interest cover is also healthy at 3.7 times. CLAS' gearing is 37.2%, which is well below the 50% gearing limit allowable under the property funds appendix issued by the Monetary Authority of Singapore. CLAS also has a total of approximately S\$1.29 billion in cash on-hand and available credit facilities.

Summary of Results

	1H 2024	1H 2023	Variance %
Revenue (S\$ million)	386.4	346.9	11
Gross Profit (S\$ million)	172.9	154.4	12
Total distribution (S\$ million) ⁽¹⁾	96.5	96.3	-
Distribution Per Stapled Security (DPS) (cents)	2.55	2.78	(8)
<u>For information only</u> DPS (cents) (adjusted for non-periodic items) ⁽²⁾	2.41	2.44	(1)
Revenue Per Available Unit (REVAU) (S\$/day)	145	138	5

(1) Total distribution for 1H 2024 and 1H 2023 included non-periodic items relating to realised exchange gain arising from the settlement of cross currency interest rate swaps.

(2) Adjusted DPS for the non-periodic items mentioned in note 1 above.

Distribution and Record Date

Distribution	For 1 January 2024 to 30 June 2024
Distribution Per Stapled Security	2.547 cents
Ex-distribution Date	2 August 2024
Record Date	5 August 2024
Payment Date	29 August 2024

For CLAS' 1H 2024 financial statement and presentation, please visit www.capitalandascotttrust.com

About CapitaLand Ascott Trust (www.capitalandascotttrust.com)

CapitaLand Ascott Trust (CLAS) is the largest lodging trust in Asia Pacific with an asset value of S\$8.5 billion as at 30 June 2024. CLAS' objective is to invest primarily in income-producing real estate and real estate-related assets which are used or predominantly used as serviced residences, rental housing properties, student accommodation and other hospitality assets in any country in the world. CLAS was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) since March 2006, and is a constituent of the FTSE EPRA Nareit Global Real Estate Index Series (Global Developed Index).

CLAS' international portfolio comprises 102 properties with more than 18,000 units in 45 cities across 16 countries in Asia Pacific, Europe and the United States of America as at 30 June 2024.

CLAS' properties are mostly operated under the Ascott, Somerset, Quest and Citadines brands. They are mainly located in key gateway cities such as Barcelona, Berlin, Brussels, Hanoi, Ho Chi Minh City, Jakarta, Kuala Lumpur, London, Manila, Melbourne, Munich, New York, Paris, Perth, Seoul, Singapore, Sydney and Tokyo.

CLAS is a stapled group comprising CapitaLand Ascott Real Estate Investment Trust (CapitaLand Ascott REIT) and CapitaLand Ascott Business Trust (CapitaLand Ascott BT). CLAS is managed by CapitaLand Ascott Trust Management Limited (as manager of CapitaLand Ascott REIT) and CapitaLand Ascott Business Trust Management Pte. Ltd. (as trustee-manager of CapitaLand Ascott BT). The manager and trustee-manager are wholly owned subsidiaries of Singapore-listed CapitaLand Investment Limited, a leading global real estate investment manager with a strong Asia foothold.

About CapitaLand Investment Limited (www.capitalandinvest.com)

Headquartered and listed in Singapore, CapitaLand Investment Limited (CLI) is a leading global real asset manager with a strong Asia foothold. As at 31 March 2024, CLI had S\$134 billion of assets under management as well as S\$100 billion of funds under management (FUM) held via six listed real estate investment trusts and business trusts and more than 30 private vehicles across Asia Pacific, Europe and USA. Its diversified real estate asset classes cover retail, office, lodging, business parks, industrial, logistics, self-storage and data centres.

CLI aims to scale its FUM and fee-related earnings through fund management, lodging management and its full stack of operating capabilities, and maintain effective capital management. As the investment management arm of CapitaLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitaLand's development arm.

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve Net Zero carbon emissions for Scope 1 and 2 by 2050. CLI contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

Important Notice

This release may contain forward-looking statements. 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, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating

expenses (including employee wages, benefits and training, property operating expenses), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

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