

NEWS RELEASE

ASCOTT RESIDENCE TRUST SECURES THIRD STUDENT ACCOMMODATION ASSET WITH ACQUISITION IN USA FOR US\$70 MILLION

Expands longer-stay portfolio to about 11% to build income resilience

Singapore, 9 September 2021 – Ascott Residence Trust (ART) will acquire a freehold 1,005-bed student accommodation asset in Texas, USA for US\$70.0 million¹ (S\$93.8 million²), its third student accommodation investment within a span of seven months. One of the newest student accommodation in the area, Wildwood Lubbock is a cottage-style property which serves over 40,000 undergraduate and graduate students from Texas Tech University (TTU). The accretive acquisition will increase ART's pro forma FY 2020 Distribution per Stapled Security by approximately 1.5%³. The EBITDA⁴ yield is expected to be 5.1%. The transaction will be completed on 21 September 2021.

Ms Beh Siew Kim, Chief Executive Officer of Ascott Residence Trust Management Limited and Ascott Business Trust Management Pte. Ltd. (the Managers of ART) said: "The acquisition of our third student accommodation asset is in line with ART's strategy to acquire assets with longer length of stay and diversify our portfolio from traditional hospitality assets, further increasing ART's resilience and stable income. Leases are typically for a year and Wildwood Lubbock will start contributing income immediately. Despite COVID-19, Wildwood Lubbock is 100% leased for the 2021 Academic Year and there is minimal upcoming private student accommodation supply."

"With Wildwood Lubbock, ART will expand its longer-stay portfolio to about 11%, keeping us on track to have student accommodation and rental housing properties constitute about 15-20% of our total property value in the medium term. Since the expansion of ART's investment mandate to include student accommodation assets in January 2021, ART has committed to invest a total of about S\$379 million on three prime student accommodation assets in USA and three rental housing properties in Sapporo, Japan at an average EBITDA yield of about 5%⁵. Following this acquisition, ART's gearing would remain unchanged at 35.9%⁶. ART continues to be in a

¹ The purchase consideration takes into account the agreed property value, which was arrived at on a willing-buyer and willing-seller basis and derived based on the independent valuation dated 7 September 2021 by Colliers International Valuation and Advisory Services LLC at US\$72.0 million (equivalent to approximately S\$96.5 million)

² Based on the exchange rate of US\$1 to S\$1.34

³ 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

⁴ Earnings before net interest expense, tax, depreciation and amortisation

⁵ For the student accommodation development in South Carolina, USA, the EBITDA yield is a target yield on a stabilised basis

⁶ Based on the unaudited financial statements of ART as at 30 June 2021 and assuming the acquisition was completed on 30 June 2021

strong financial position to seek accretive investments in more longer-stay lodging assets and create greater value for our Stapled Securityholders,” added Ms Beh.

Opened in 2017, Wildwood Lubbock is close to TTU, one of the top public research universities⁷ with elite college athletics status. TTU’s student population has grown consistently at a compound annual growth rate of 2.5% over the past decade. The overall enrollment for the 2020 Academic Year also increased by 4.0 % year-on-year despite COVID-19. TTU is the sixth largest university in Texas by student population with local students comprising 98% of its total student population. TTU’s athletics programme also competes in the Big 12 Conference, one of the ‘Power 5’ athletics conferences in the National Collegiate Athletic Association.

Wildwood Lubbock has 1,005 beds across 294 units, comprising two- to four-bedroom apartments and each room comes with ensuite bathrooms. The student accommodation has top-of-the-market on-site amenities such as the largest resort-style pool in Lubbock with jetted hot tubs, a swim-up bar, outdoor cabanas with gas grills and firepits. The student accommodation also has a gymnasium, study rooms, a clubhouse with a game-day theatre room, a pet park as well as basketball and volleyball courts. With most students driving to campus, Wildwood Lubbock offers close to 1,100 parking lots. Students can also access the heart of the TTU campus via a shuttle bus ride. Wildwood Lubbock will be managed by an unrelated third-party operator.

For more information on the student accommodation, please see the Annex.

Growing ART’s stable income with third student accommodation investment

Prior to the acquisition of Wildwood Lubbock, ART acquired the freehold Paloma West Midtown in Atlanta, Georgia, USA in February 2021. The student accommodation was acquired for US\$95 million (S\$126.3 million) at an EBITDA yield of about 5%. Serving close to 40,000 students of Georgia Institute of Technology, the 525-bed Paloma West Midtown is 100%⁸ leased for the 2021 Academic Year.

In June 2021, ART and its sponsor, The Ascott Limited, announced that they will jointly invest and develop a freehold student accommodation in South Carolina, USA. ART will invest US\$55.2 million⁹ (S\$73.4 million) in the 678-bed student accommodation which will serve over 35,000 students from the nearby University of South Carolina. Construction of the student accommodation started in 3Q 2021 and is expected to complete in 2Q 2023. Upon stabilisation, the EBITDA yield is expected to be approximately 6.2%¹⁰.

⁷ TTU has a ‘R1’ designation by the Carnegie Commission on Higher Education, denoting ‘very high’ research activity

⁸ As of August 2021

⁹ 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

¹⁰ Based on ART’s total investment

About Ascott Residence Trust

Ascott Residence Trust (ART) is the largest hospitality trust in Asia Pacific with an asset value of S\$7.3 billion as at 30 June 2021. Having listed on the Singapore Exchange Securities Trading Limited (SGX-ST) since March 2006, ART's 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. ART is a constituent of the FTSE EPRA Nareit Global Real Estate Index Series (Global Developed Index).

ART's international portfolio comprises 88 properties with more than 16,000 units in 38 cities across 15 countries in Asia Pacific, Europe and the USA as at 30 June 2021.

ART's properties are mostly operated under the Ascott The Residence, 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.

ART is a stapled group comprising Ascott Real Estate Investment Trust (Ascott Reit) and Ascott Business Trust (Ascott BT). ART is managed by Ascott Residence Trust Management Limited (as manager of Ascott Reit) and Ascott Business Trust Management Pte. Ltd. (as trustee-manager of Ascott BT), both of which are wholly owned subsidiaries of Singapore-listed CapitaLand Limited, one of Asia's largest diversified real estate groups.

Visit www.ascottresidencetrust.com for more information.

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 about S\$138.7 billion as at 30 June 2021. 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 250 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 six listed real estate investment trusts (REITs) and business trusts as well as over 20 private funds. CapitaLand launched Singapore's first REIT in 2002 and today, its stable of REITs and business trusts comprises CapitaLand Integrated Commercial Trust, Ascendas Real Estate Investment Trust, Ascott Residence Trust, CapitaLand China Trust, Ascendas India Trust and CapitaLand Malaysia Mall Trust.

CapitalLand places sustainability at the core of what it does. As a responsible real estate company, CapitalLand contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

Visit www.capitaland.com for more information.

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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The past performance of Ascott Residence Trust (“ART”) is not indicative of future performance. The listing of the stapled securities in ART (“**Stapled Securities**”) on the Singapore Exchange Securities Trading Limited (“SGX-ST”) does not guarantee a liquid market for the Stapled Securities. The value of the Stapled Securities and the income derived from them may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers or any of their affiliates. An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed on the SGX-ST. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on the SGX-ST.

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A Member of CapitalLand

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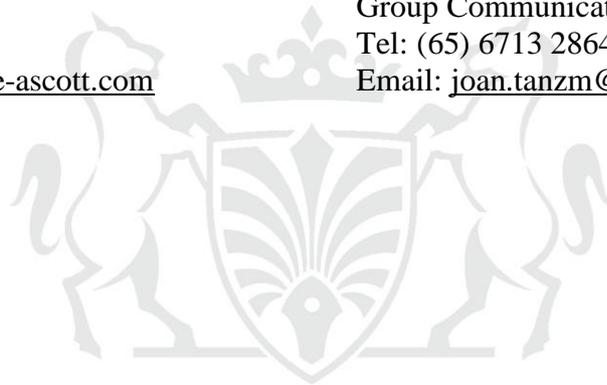
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Annex – About the student accommodation asset

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| Location | 1701 N Quaker Avenue, Lubbock, Texas |
| Year Opened | 2017 |
| Land Tenure | Freehold |
| Net Rentable Area | 470,700 square feet (sq ft) |
| Proximity to Texas Tech University | 2.7 km north-west from boundary of the campus |
| Units | 294 |
| Beds | 1,005 |
| Unit Mix | 2-Bedroom: 48 / (1,230-1,234 sq ft) 3-Bedroom: 75 / (1,454–1,465 sq ft) 4-Bedroom: 171 / (1,760-1,783 sq ft) All rooms come with ensuite bathrooms |
| Common Area Amenities | The largest resort-style pool in Lubbock with jetted hot tubs, a swim-up bar, outdoor cabanas with gas grills and firepits, a gymnasium, study rooms, a clubhouse with a game-day theatre room, a pet park as well as basketball and volleyball courts |