NEWS RELEASE **For immediate release**

CapitaLand Ascott Trust completes divestment of four properties in regional France for EUR44.4 million

Transaction is part of CLAS' active portfolio reconstitution strategy to deliver sustainable returns to Stapled Securityholders

Singapore, 25 September 2023 – CapitaLand Ascott Trust (CLAS) has completed the divestment of four mature serviced residences in regional France to an unrelated third party for a total of EUR44.4 million (S$64.7 million[1]). The four properties are Citadines Croisette Cannes, Citadines Prado Chanot Marseille, Citadines Castellane Marseille and Citadines City Centre Lille.

The four properties were divested at 63% above book value[2] and net proceeds of the divestment is approximately EUR34.1 million (S$49.7 million). The exit yield[3] is about 4% and CLAS received a net gain of approximately EUR1.2 million (S$1.8 million).

Post-divestment, CLAS has 12 properties in France. The properties are predominantly located in Paris, including La Clef Tour Eiffel Paris and Citadines Les Halles Paris that are undergoing asset enhancement initiative (AEI) to uplift their value and profitability. AEI works include refurbishment of guest rooms and general public areas and both properties will remain open, receiving rent throughout the AEI.

Ms Serena Teo, Chief Executive Officer of CapitaLand Ascott Trust Management Limited and CapitaLand Ascott Business Trust Management Pte. Ltd. (the Managers of CLAS), said: "We have divested the four mature properties as part of our active portfolio reconstitution strategy to deliver sustainable returns to our Stapled Securityholders. As these properties have reached the optimal stage of their life cycles, the divestment enables CLAS to redeploy the proceeds to higher-yielding assets. Proceeds from the divestment will be used for our AEI in Europe. It will also be used to partially finance CLAS' recent proposed acquisition of three prime lodging assets in the capital cities of London, Dublin and Jakarta."

"Over the past three years, we have successfully divested properties at a premium to book value and invested the proceeds in higher-yielding assets, increasing our total distribution. With the recent proposed acquisition, we expect to further increase our total distribution by S$13.5 million and our Distribution per Stapled Security (DPS) by 1.8% on a FY 2022 pro

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1 Based on an exchange rate of EUR1 to S$1.4568 unless stated otherwise.
2 Based on the independent valuation dated 31 December 2022.
3 Exit yield is computed based on FY 2022 Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA).

forma basis[4] upon completion of the acquisition. The EBITDA yield of the proposed acquisition is 6.2%[5] on a FY 2022 pro forma basis, more than 2% higher than the exit yield from the divestment of the four properties in regional France. Post-renovation for The Cavendish London and Temple Bar Hotel as well as Milestone Payments for the acquisition, we expect to achieve an increased yield of 6.8%," added Ms Teo.

In August 2023, CLAS signed a Memorandum of Understanding (MOU) with its sponsor, The Ascott Limited (Ascott), for a proposed accretive acquisition of three lodging assets – a hotel in London, The Cavendish London; a hotel in Dublin, Temple Bar Hotel; and a serviced residence in Jakarta, Ascott Kuningan Jakarta – at an agreed property value of S$530.8 million.

The proposed acquisition is part of CLAS' ongoing efforts to enhance its portfolio through yield-accretive investments and AEIs. In FY 2022, CLAS invested S$420 million in 15 accretive acquisitions[6], which contributed to the increase in CLAS' DPS in 1H 2023. The new properties are largely longer-stay properties with average occupancy rates of over 95%, further enhancing CLAS' stable income streams. In 1H 2023, CLAS' DPS increased by 19% year-on-year to 2.78 cents.

About CapitaLand Ascott Trust (https://www.capitalandascotttrust.com)
CapitaLand Ascott Trust (CLAS) is the largest lodging trust in Asia Pacific with an asset value of S$8.1 billion as at 30 June 2023. 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 107 properties with more than 19,000 units in 47 cities across 15 countries in Asia Pacific, Europe and the United States of America as at 30 June 2023.

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.

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[4] Part of the payment of the purchase consideration in relation to The Cavendish London and Temple Bar Hotel will be made upon substantial completion of the renovations of each of the properties (Milestone Payment). The effects of the renovations and the costs of financing the Milestone Payment are not taken into account in determining the pro forma financial effects, as the Milestone Payment will be made only upon substantial completion of the respective property renovations.

[5] The EBITDA yield of 6.2% is based on the agreed property value of the properties excluding the Milestone Payment and before AEIs, if any. Including the Milestone Payment, the EBITDA yield is 5.1%.

[6] 14 of the 15 acquisitions were completed in FY 2022 and 2Q 2023. The turnkey acquisition of a rental housing property in Fukuoka, Japan, is expected to complete in 2024.

About CapitaLand Investment Limited (www.capitalandinvest.com)
Headquartered and listed in Singapore, CapitaLand Investment Limited (CLI) is a leading global real estate investment manager (REIM) with a strong Asia foothold. As at 30 June 2023, CLI had S$134 billion of real estate assets under management, and S$89 billion of real estate 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 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.

This release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Stapled Securities.

Issued by:
CapitaLand Ascott Trust Management Limited
CapitaLand Ascott Business Trust Management Pte. Ltd.
168 Robinson Road, #30-01 Capital Tower, Singapore 068912
Tel: (65) 6713 2888   Fax: (65) 6713 2999
Website: https://www.capitalandascotttrust.com

For more information, please contact:

Analyst contact
Denise Wong
Head, Investor Relations & Sustainability
Tel: +65 6713 2151
Email: denise.wong@the-ascott.com

Media contact
Joan Tan
Vice President, Group Communications
Tel: +65 6713 2864 / HP: +65 9743 9503
Email: joan.tanzm@capitaland.com