



  
**THE  
ASCOTT**  
LIMITED  
A Member of CapitaLand

# CapitaLand Analysts/Media Trip 2016 The Ascott Limited

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21 November 2016



# Important Notice

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, cost of capital and capital availability, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.



# Contents

- **Overview of The Ascott Limited**
- **Continue to Grow Network in China and Vietnam**
- **Continue to Build Scale & Accelerate Growth**
- **Strong & Healthy Pipeline**
- **Property Openings**
- **Conclusion**



# Overview of The Ascott Limited

- Largest international serviced residence owner-operator in the world
- Pioneered Asia Pacific's first branded luxury serviced residence in 1984
- Established world's first pan-Asian serviced residence REIT in 2006, Ascott Residence Trust
- Launched US\$500m Ascott China Fund in 2007 - world's first private equity fund dedicated to investing in serviced residences across China
- Entered into a joint venture with Qatar Investment Authority in 2015 to set up a US\$600m global serviced residence fund
- 100% subsidiary of CapitaLand Limited, one of the largest real estate companies in Asia





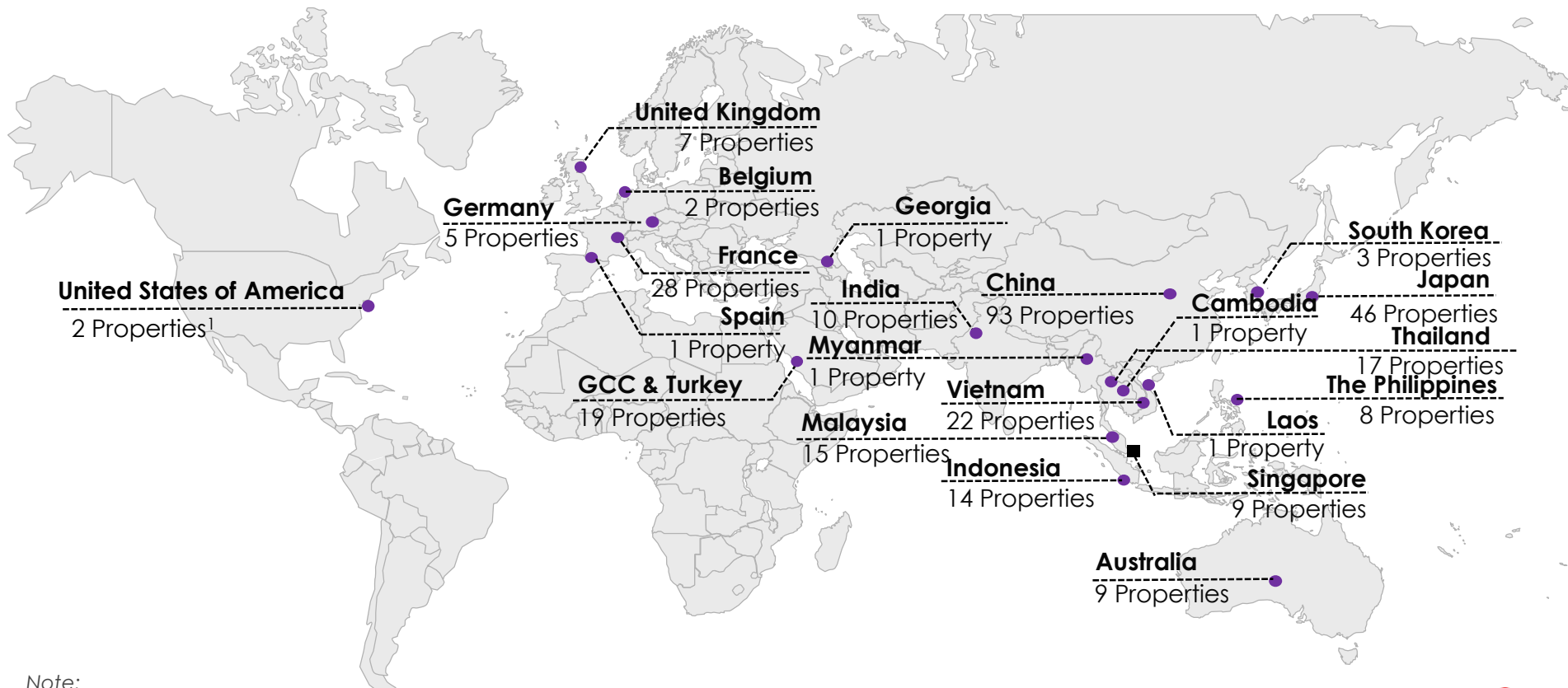
# Ascott's Global Presence

World's largest international serviced residence owner-operator

**Over 52,000**  
Apartment units

**323**  
Properties

**107**  
Cities in 27 Countries



Note:  
Figures above as at 17 November 2016.

# Ascott's Business Model

Pipeline of assets with first right of refusal



Serviced Residence Business

Real Estate

Portfolio of Global Serviced Residences

The Ascott Limited

ACF<sup>1</sup>

ASRGF<sup>2</sup>

Ascott REIT

Entry into New Markets via MA

Developing Operating Expertise

Acquiring Real Estate

Divestment

Leasing/ Operating

Active Portfolio Mgmt

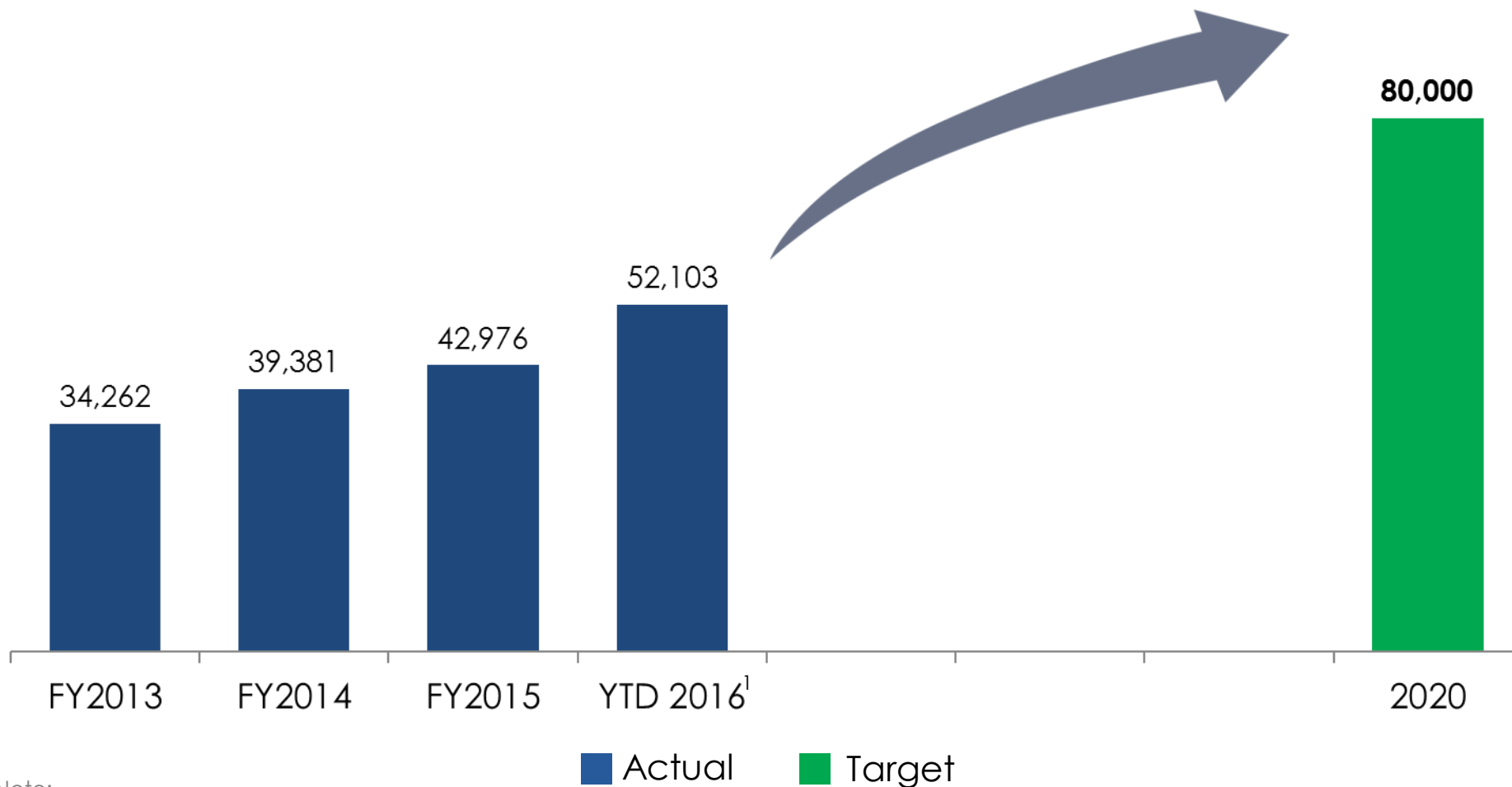
Divestment

Notes:

1. Ascott Serviced Residence (China) Fund
2. Ascott Serviced Residence (Global) Fund which is a joint venture between Ascott and QIA

# Ascott's Global Growth Target

On Track To Achieve 80,000 Units By 2020



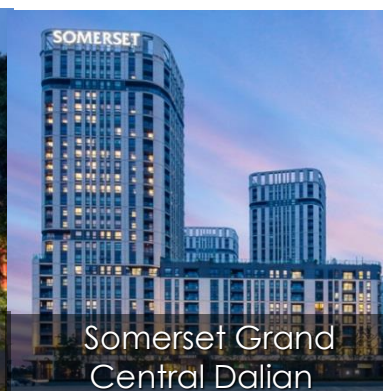
Note:

1. As at 15 November 2016

# Overview of Ascott China

Ascott is one of the leading serviced residence owner-operator in China

- Ascott entered China more than 15 years ago
- Ascott China currently owns and manages 93 properties with more than 16,300 serviced residence units across 26 cities
- On track to achieve new target of 20,000 units by 2020



Note:  
Above figures as at 15 November 2016



# Overview of Ascott China

Ascott is one of the leading serviced residence owner-operator in China

Over 16,300 units

93 Properties

26 Cities

S\$7.9 Billion<sup>1</sup>  
under management



- 3 Brands<sup>2</sup>
- Ascott
- Citadines
- Somerset
- Tujia Somerset
- Other Brands

Notes:

Figures above as at 15 November 2016

1. As at 30 September 2016. Estimated value of assets under management by Ascott China, including assumed completed value for projects under construction

2. Refers to Ascott, Citadines and Somerset

# Overview of Ascott China

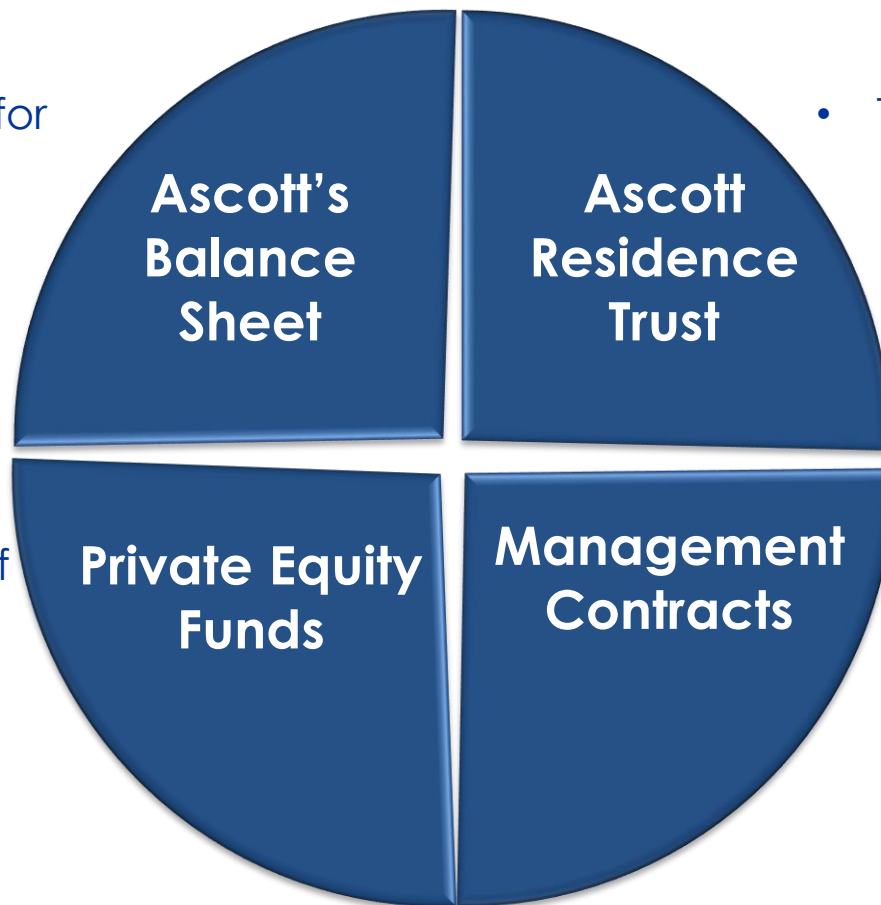
## Growth is Underpinned by Four Main Pillars

### Ascott's Balance Sheet

- Ready capital base for investment and development

### Private Equity Funds

- Ascott China Fund of US\$500m fully invested
- Ascott established a US\$600m global serviced residence JV with QIA



### Ascott Residence Trust<sup>1</sup>

- Total assets have grown to S\$4.9 billion
- China contribute to 14.7% of Ascott REIT's total assets

### Management Contracts

- Expand business footprint through management contracts with third parties

Note:

1. As at 30 September 2016

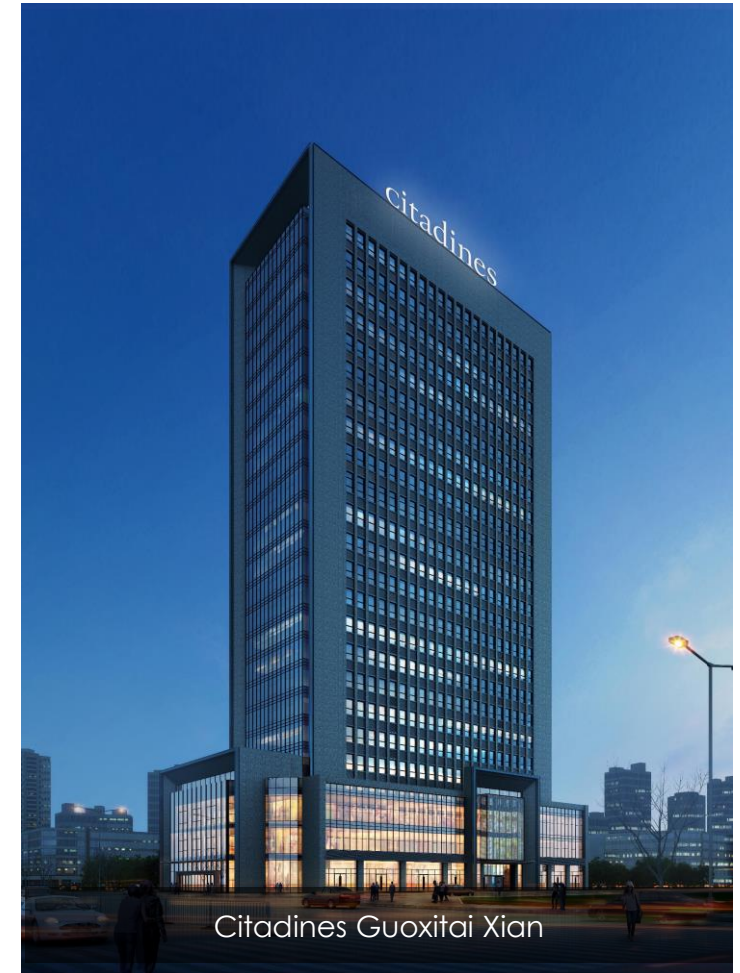
# Continue to Grow Network in China

## 1 Deepening Presence And Building Scale

- Build strong operational platform in key cities to support growth
- Fee income from new management contracts to improve bottom line
- Seeing improved management contract terms and pipeline due to better brand recognition

In YTD 2016,

- Ascott China secured 17 management contracts for over 3,000 units in Beijing, Dalian, Hangzhou, Nanjing, Shanghai, Shenyang, Tianjin, Haikou, Xiamen, Xi'An, Chongqing, Shaoxing and Changsha.







# Continue to Grow Network in China

## 2 Forging Strategic Alliances To Accelerate Growth

### **Strategic Investment In Tujia.com International (\$\$67.7m) & Set Up Of A Joint Venture (\$\$54.2m)**

- Led consortium to invest over \$120 million in China's largest and fastest growing online apartment sharing platform
- Capitalise on Tujia's unique business model and technological capabilities
  - Ascott's serviced residences in China are now available on Tujia's website for booking, expanding reach to more customers online
  - Ascott plans to add on serviced residences outside China on Tujia's website in 2017 to reach out to the rapidly increasing outbound Chinese travellers
  - To tap on Tujia's business network to access more projects, including penetrating into mass market segment which opens up for a bigger pie for growth

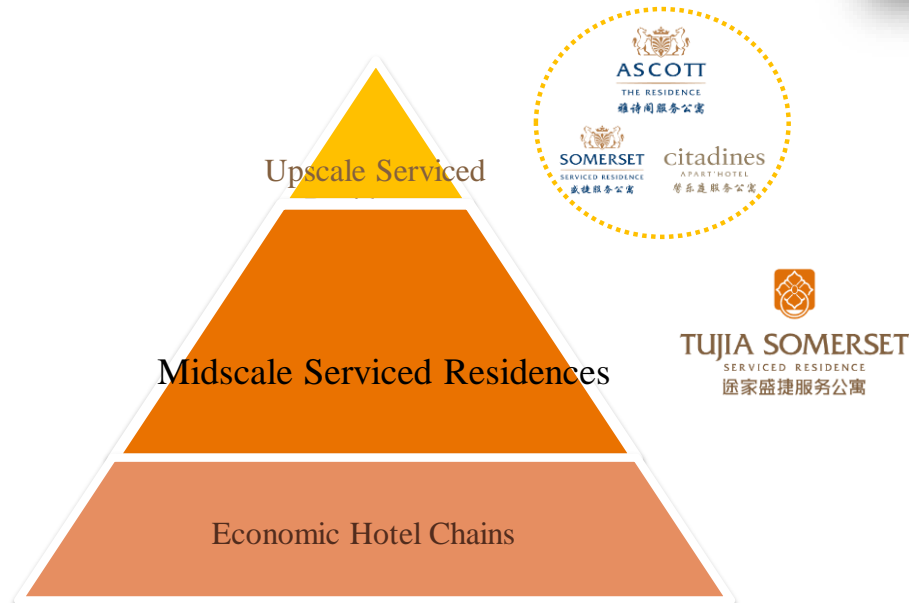


# Continue to Grow Network in China

## 2 Forging Strategic Alliances To Accelerate Growth (cont'd)

### **New Tujia Somerset Brand Catered For The Booming Segment Of Middle Class Travellers in China**

- Newly unveiled brand will spur growth of Ascott management and franchise business in China, along with its established Ascott, Citadines and Somerset brands.
- Strong support received for the new brand with more than 1,700 units across ten properties in China already signed up.

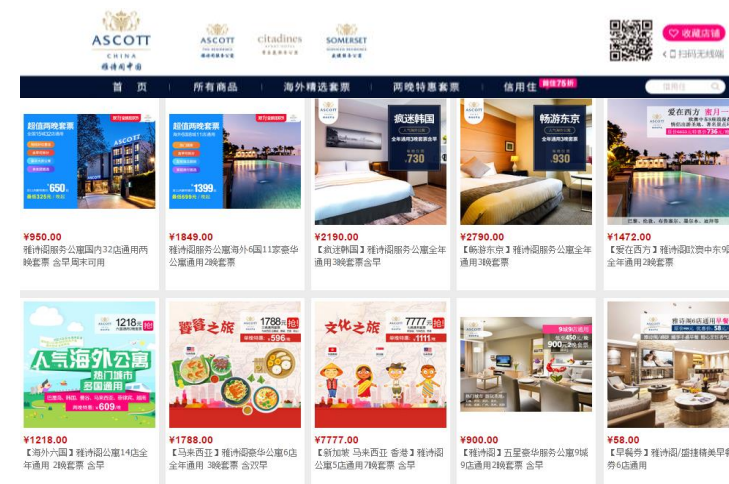


# Continue to Grow Network in China

## 2 Forging Strategic Alliances To Accelerate Growth (cont'd)

### Partnered Fliggy<sup>1</sup> To Deep Access To Growing Outbound and Inbound Chinese Travellers

- Ascott has made available its serviced residences in the Greater China region on Fliggy, Alibaba's travel services platform since December 2015, targeting the booming domestic travel market of four billion trips<sup>2</sup>
- Ascott's global serviced residences in 20 cities have also been made available on Fliggy, targeting the world's biggest outbound travel market of over 120 million Chinese travellers<sup>2</sup>



**Ascott will list its global network of over 29,000 apartment units operating in over 60 cities on the one-stop online travel platform by 1Q 2017**

Notes:

1. AliTrip officially changed its name to Fliggy with effect from 27 October 2016
2. According to China National Tourism Administration, China had 120 million outbound visitors in 2015 and made 4.12 billion trips on domestic travel in 2015



# Continue to Grow Network in China

## 2 Forging Strategic Alliances To Accelerate Growth (cont'd)

### Embracing Technology & Social Media

- '11.11' Ascott First Live Stream on 7 November 2016 drew over 4,900 audience and added close to 700 fans on Ascott Fliggy store
- Sales on Singles' Day through our partnership with Fliggy went up six times, the highest number of room nights booked online in a single day in China



# Continue to Grow Network in China

## 2 Forging Strategic Alliances To Accelerate Growth (cont'd)

### Embracing Technology & Social Media

- Social media engagement with bookers through Ascott's mobile site, Wechat, Weibo etc



Ascott continues to seek innovative ways to strengthen capabilities so as to ensure it remains the top choice accommodation for guests when they travel

## 2 Forging Strategic Alliances To Accelerate Growth (cont'd)

### Embracing Technology & Social Media



- **APP Unlock Room**  
Scans QR code to acquire electronic key  
Open door lock using APP through wireless/4G communication
- **Smart Remote Control**  
Using smart devices for remote control
- **Smart Scene Mode Setting**  
Welcome Mode, Media Mode, Sleeping Mode, Auto Induction Mode, Check-out Mode
- **Real Time Status Monitor**  
Temperature and humidity sensing  
Air quality inspection and monitoring
- **Intelligent Energy Saving**  
Automatic switch running state of electrical devices/equipment as the room is empty





# Continue to Grow Network in China

## 2 Forging Strategic Alliances To Accelerate Growth (cont'd)

### **Partnerships with property developers**

- Forming strategic alliances with good partners such as China Construction Dongfu, Yuexiu, China Merchant, Vanke and Intime, will continue to drive expansion plans in China



## 3 Continue to look out for real estate investments opportunities in key gateway cities

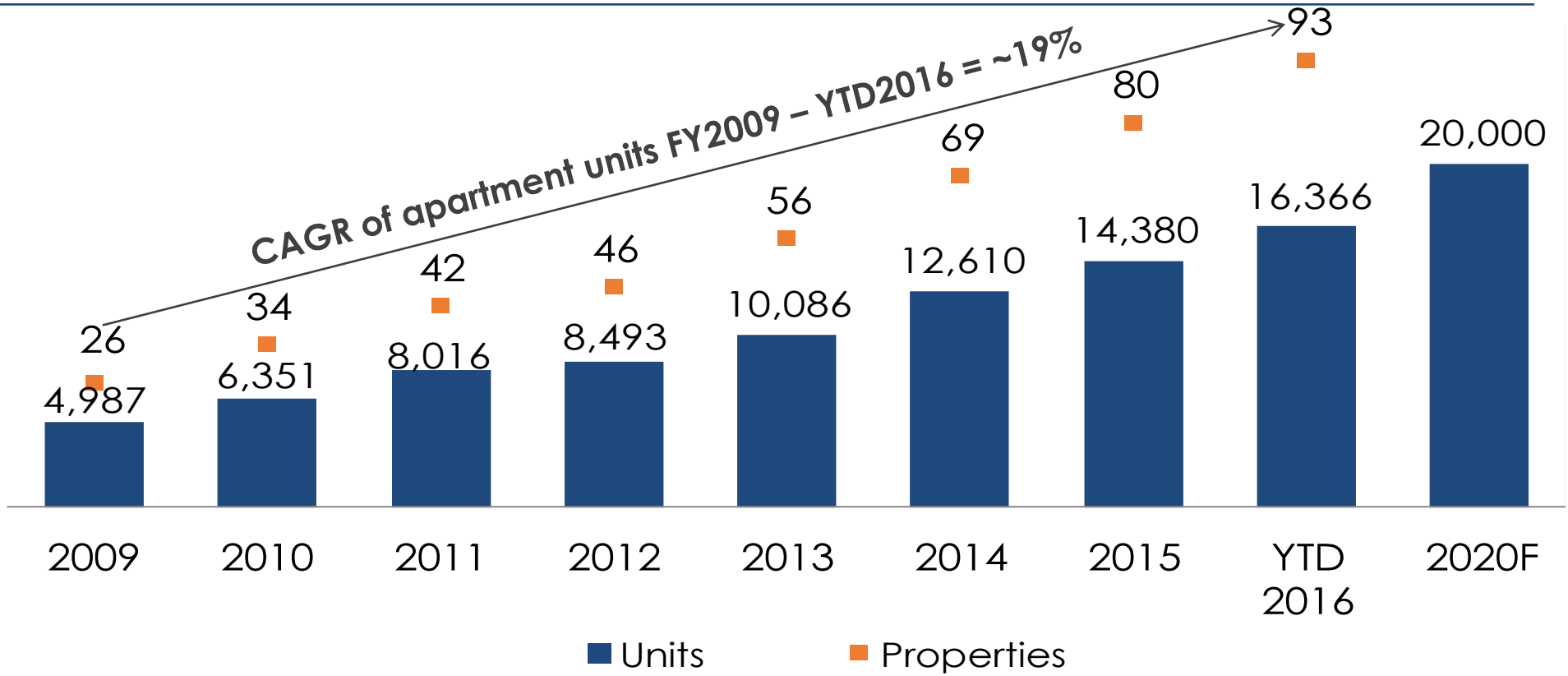
### **Continue to accelerate expansion to ride on growth**

- First and second tier cities like Shanghai, Beijing, Shenzhen and Guangzhou and provincial capitals like Wuhan and Hangzhou to ride on growth



# Continue to Build Scale & Accelerate Growth

Ascott China added more than 1,900 units in YTD 2016



**On track to achieve 2016 target of 17,000 units and 2020 target of 20,000 units**

Note:  
1. As at 15 November 2016

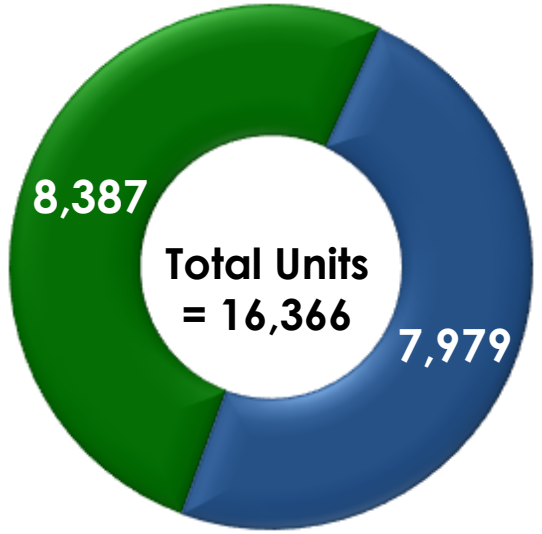


# Strong & Healthy Pipeline

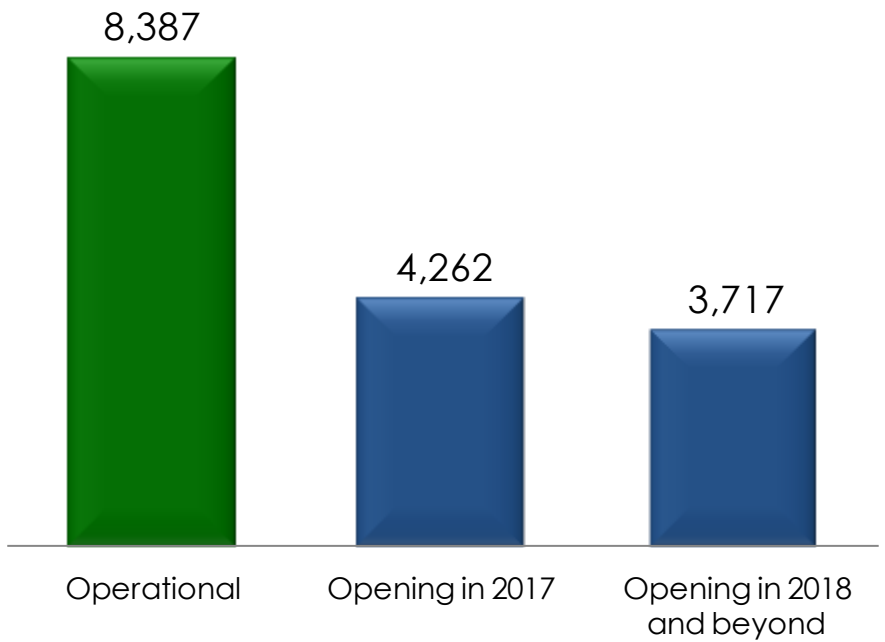
Expect Another 7,979 Pipeline Units To Be Opened Over Next Few Years

**Breakdown Of Total Units  
By Operational and Under Development**

**Breakdown Of Total Units  
By Year Of Opening**



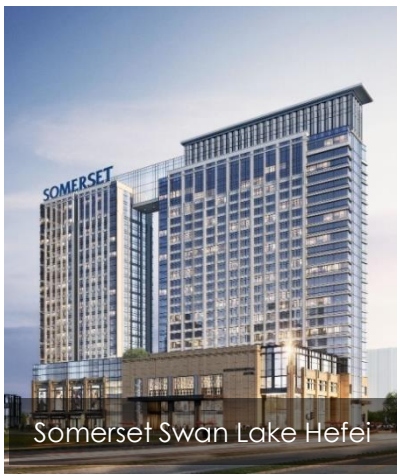
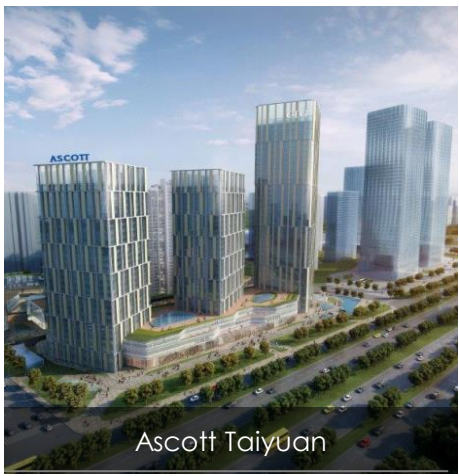
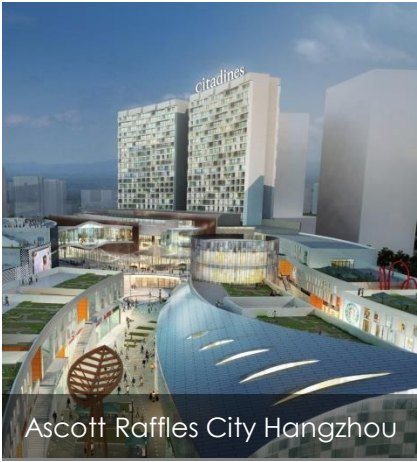
■ Operational    ■ Under Development





# Property Openings

Expect Another 7,979 Pipeline Units To Be Opened Over Next Few Years







# Awards and Accolades

## Golden Pillow



“2016 China’s Most Popular Serviced Residence Brand” for the 8<sup>th</sup> year by 21<sup>st</sup> Century Business Herald & Hospitality Industrial Business Travel

## M&C China



“2016 Service Residence Group of the Year” by China Travel & Meetings Industry Awards hosted by M&C China

## Travel+



“Best International Serviced Apartments Operator” by Travel+ for 4 consecutive years at the 2016 China Travel Awards

## Starlight



“2015 Best Serviced Residence Operator of China” for 9 consecutive years by China Hotel Starlight Awards

## Travel+Leisure



“2015 Best Recommended Service Apartment” by Travel+Leisure on China Travel Awards Ceremony

## TTG China



2015’s “Best Serviced Residence Operator” for 9 consecutive years at Annual TTG China Travel Awards



# Conclusion

## Ascott China

1

**Ascott's is the largest international serviced residence owner-operator in China with over 16,300 units in 93 properties across 26 cities**

2

**Ascott China's inventory has grown at a CAGR of ~19% (FY2009 – YTD2016) and is on track to achieve 20,000 by 2020**

3

**Ascott China constantly seeks innovative ways to engage customers through the use of technology and social media**

4

**Ascott China continues to expand its footprint through investments, management contracts and forming strategic alliances to accelerate growth**

Note:  
Figures above as at 15 November 2015





# Overview of Ascott Vietnam

Ascott is the largest serviced residence owner-operator in Vietnam

- Ascott entered Vietnam more than 21 years ago
- Today, Ascott manages and owns 22 properties with about 4,600 units in 7 cities/provinces across Vietnam
- More than doubled Ascott's portfolio in Vietnam since 2013
- On track to achieve target of 7,000 units by 2020







# Overview of Ascott Vietnam

Ascott is the largest serviced residence owner-operator in Vietnam

**~4,600 units**

**22 Properties**

**7 Cities**

**S\$974 Million<sup>1</sup>**  
under management



Notes:  
Figures above as at 30 September 2016

1. Estimated value of assets under management by Ascott Vietnam, including assumed completed value for projects under construction



# Overview of Ascott Vietnam

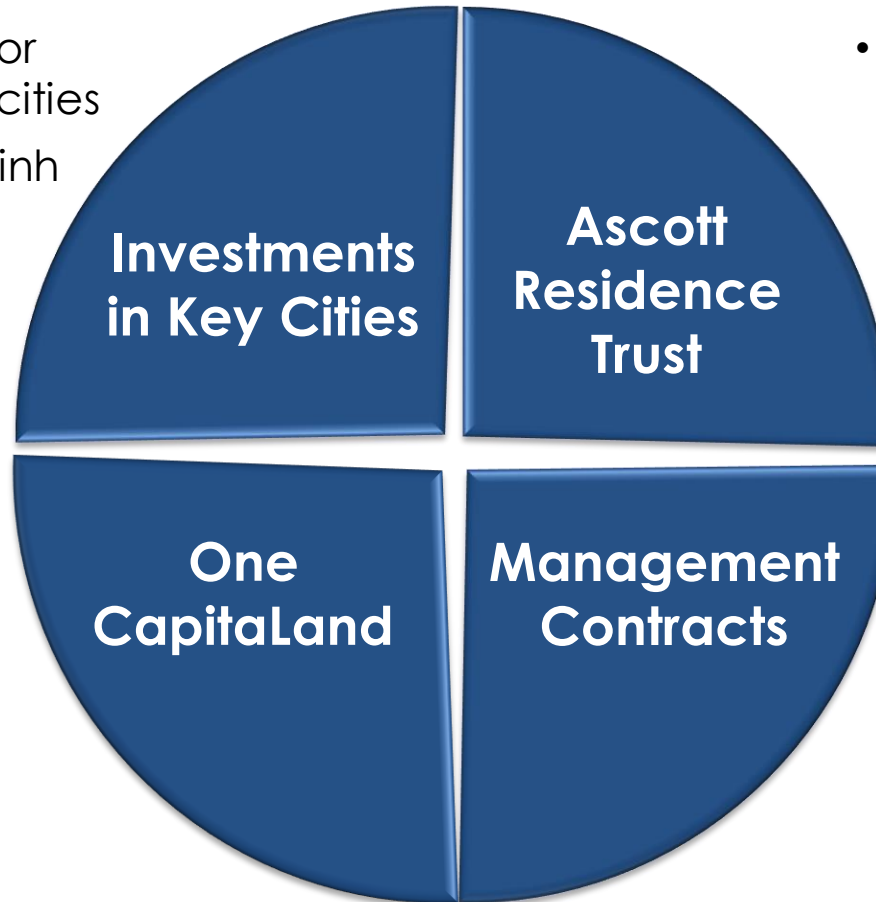
## Growth is Underpinned by Four Main Pillars

### Investments in Key Cities

- Capital available for investments in key cities
- Focus on Ho Chi Minh City and Hanoi

### One CapitaLand

- Three collaboration projects with CapitaLand Vietnam to-date



### Ascott Residence Trust<sup>1</sup>

- Total assets have grown to S\$4.9 billion
- Vietnam contribute to 6.3% of Ascott REIT's total assets

### Management Contracts

- Leverage on leadership position and operating track record to aggressively expand footprint via third party management contracts

Note:

1. As at 30 September 2016

# Continue to Grow Network in Vietnam

## 1 Two Key Gateway Cities

- Focus investments in HCMC and Hanoi
- Build strong operational platform in these cities to support growth

## 2 Three Key Economic Regions

- Extend and deepen network via management contracts to other high-growth cities
- Fee income from new management contracts to improve bottom line

- ★ Key Gateway Cities
- Existing Cities
- Target Cities



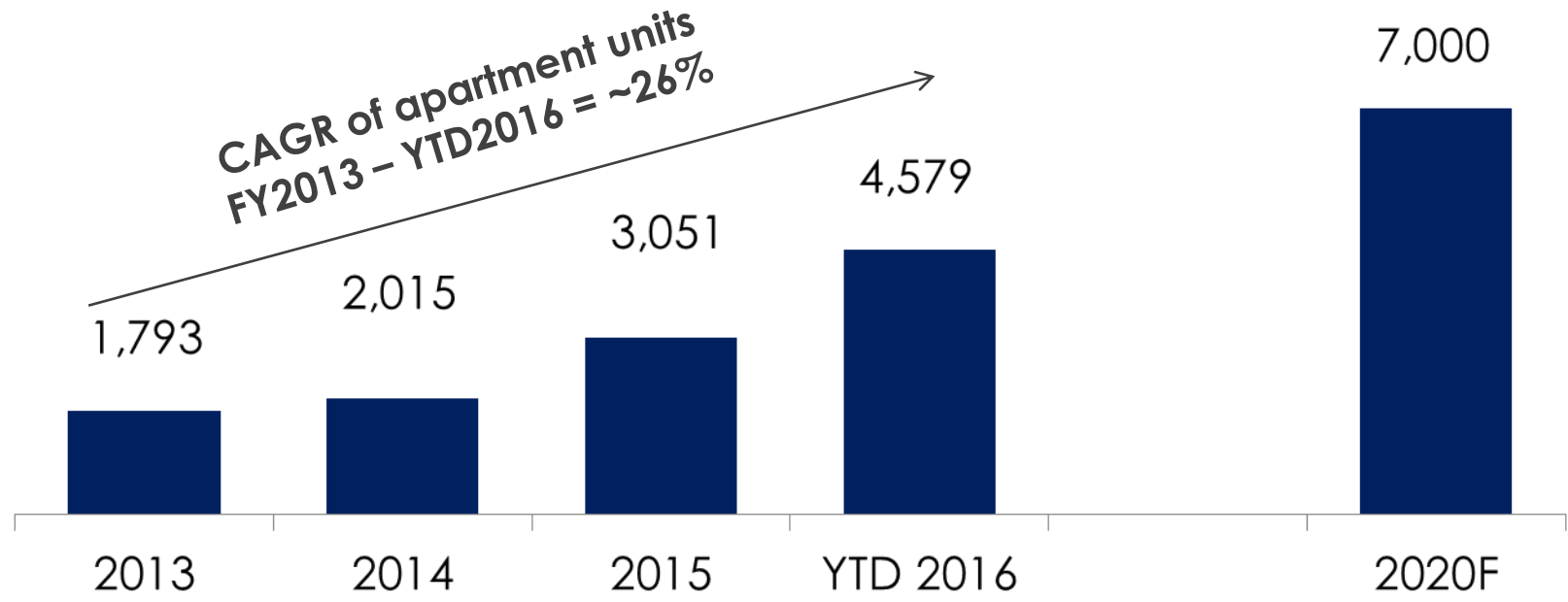


# Continue to Build Scale & Accelerate Growth



A Member of CapitaLand

Ascott Vietnam added more than 1,500 units in YTD 2016



- Ascott Vietnam has secured new management contracts totaling over 1,500 units in Ho Chi Minh City, Hanoi, Danang, and Halong City
- On track to achieve growth target of 7,000 units by 2020



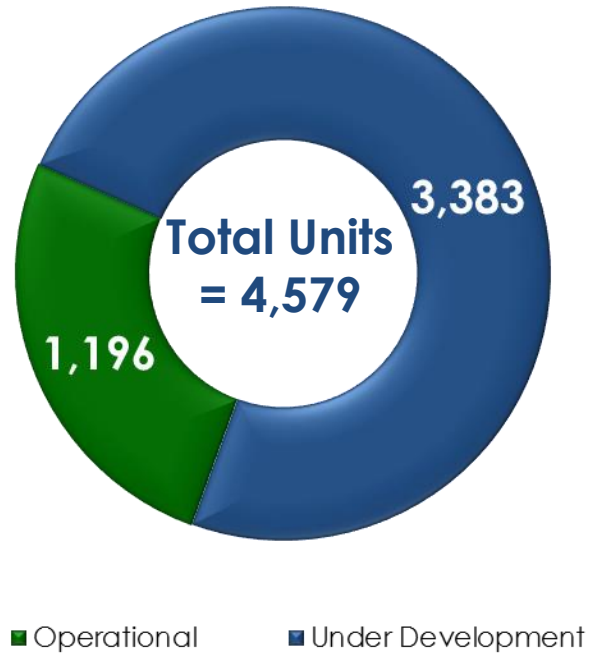




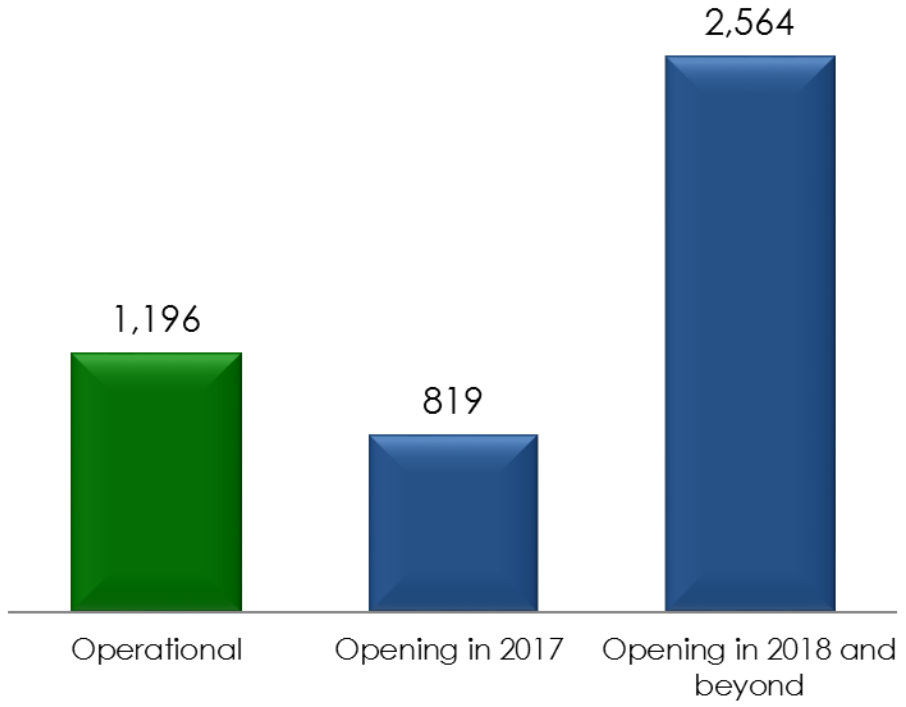
# Strong & Healthy Pipeline

Expect Another 3,383 Pipeline Units To Be Opened Over Next Few Years

**Breakdown Of Total Units  
By Operational and Under Development**



**Breakdown Of Total Units  
By Year Of Opening**



# Property Openings

Expect Another 3,383 Pipeline Units To Be Opened Over Next Few Years





# Conclusion

## Ascott Vietnam

1

**Ascott is the largest international serviced residence owner-operator in Vietnam with about 4,600 units in 22 properties across 7 cities/provinces**

2

**Ascott Vietnam's inventory has grown at CAGR of ~26% (FY2013-YTD2016) and is on track to achieve 7,000 units by 2020**

3

**Ascott Vietnam will continue expanding its footprint via investments in HCMC and Hanoi, third party management contracts, ONE CapitaLand collaboration with CapitaLand Vietnam and new strategic alliances to accelerate growth**

Note:  
Figures above as at 2 November 2015





  
**THE  
ASCOTT**  
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**Thank You**