



CDL HOSPITALITY TRUSTS

FOR IMMEDIATE RELEASE

30 JUL 2024

CDL HOSPITALITY TRUSTS REPORTS  
YOY NPI GROWTH OF 5.9% FOR 1H 2024

- Total distribution per Stapled Security of 2.51 cents for 1H 2024
- 1H 2024 NPI increased by 5.9% year-on-year to S\$66.5 million
- RevPAR growth for 1H 2024 recorded across virtually all portfolio markets
- The Castings (UK BTR) opened in mid-July 2024, coinciding with the active summer leasing season

**Singapore, 30 July 2024** – CDL Hospitality Trusts (“CDLHT” or the “Group”), a stapled group comprising CDL Hospitality Real Estate Investment Trust (“H-REIT”), a real estate investment trust, and CDL Hospitality Business Trust (“HBT”), a business trust, today announced its results for the first six months (“1H 2024”) ended 30 June 2024.

**Financial Highlights:**

	1 Jan 2024 to 30 Jun 2024 S\$'000 ("1H 2024")	1 Jan 2023 to 30 Jun 2023 S\$'000 ("1H 2023")	Increase/ (Decrease) (%)
Revenue	127,348	119,222	6.8
Net property income ("NPI")	66,533	62,854	5.9
Total distribution to Stapled Securityholders (after retention)	31,425	31,202	0.7
Total distribution per Stapled Security (after retention) ("DPS") (cents)	2.51	2.51	-

**First Half Ended 30 June 2024**

For 1H 2024, NPI increased 5.9% (or S\$3.7 million) year-on-year (“yoy”) to S\$66.5 million in tandem with the 6.8% yoy increase in gross revenue. NPI improvement was recorded in almost all the portfolio markets, except the UK market which was flat and New Zealand market which was down yoy. Although the pent-up demand post-pandemic tapered off in most markets, RevPAR growth for 1H 2024 was recorded across virtually all portfolio markets.

Interest costs for 1H 2024 increased yoy, mainly due to higher funding costs on the floating rate loans and interest expenses from additional amounts drawn. In 1H 2024, CDLHT increased one of its committed sustainability-linked revolving credit facilities by an additional S\$50.0 million, bringing the total amount of sustainability-linked facilities to S\$355.9 million.

Total distribution to Stapled Securityholders (after retention for working capital) for 1H 2024 remained relatively stable at S\$31.4 million and DPS was 2.51 cents, flat yoy.



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As at 30 June 2024, CDLHT had a gearing of 37.7% and debt headroom of S\$783.3 million (at 50% gearing limit), with cash reserves of S\$64.9 million and S\$648.5 million<sup>1</sup> of credit facilities.

### Portfolio Update

#### Singapore

The combined weighted average statistics for CDLHT's Singapore Hotels are as follows:

	2Q 2024	2Q 2023	Better/ (Worse)	1H 2024	1H 2023	Better/ (Worse)
<b>Average Occupancy Rate</b>	74.7%	70.5%	4.2pp	78.4%	69.2%	9.2pp
<b>Average Daily Rate ("ADR")</b>	S\$241	S\$258	(6.4)%	S\$246	S\$258	(4.9)%
<b>Revenue per Available Room ("RevPAR")</b>	S\$180	S\$182	(0.9)%	S\$193	S\$179	7.7%

Singapore recorded 8.2 million visitor arrivals in 1H 2024, close to two million arrivals improvement yoy, largely concentrated in the first quarter due to the period's robust concert calendar and commencement of visa-free travel between China and Singapore. Visitor arrivals and visitor days were 88.4% and 91.2% of 2019 pre-pandemic levels respectively<sup>2</sup>.

The Singapore Hotels' performance in the second quarter was more muted as there were several weekday public holidays, weaker materialisation from keynote events, an increase in hotel supply and the oil spill near Sentosa (affecting W Hotel) which caused RevPAR to post a slight 0.9% drop compared to a year ago. 1H 2024 RevPAR for the Singapore Hotels increased by 7.7% yoy, driven by occupancy growth. NPI for the Singapore portfolio (including Claymore Connect) for 1H 2024 grew in tandem by 6.8% or S\$2.6 million yoy.

Singapore Tourism Board ("**STB**") predicts international visitor arrivals to reach approximately 15 to 16.5 million in 2024, generating tourism receipts of around S\$27.5 billion to S\$29 billion, ahead of 2023's 13.6 million visitors and tourism receipts of S\$27.2 billion<sup>3</sup>.

Mr Vincent Yeo, Chief Executive Officer of CDLHT's managers, said, "In our core market of Singapore, the first quarter got off to a strong start, bolstered by a packed concert and event calendar and the commencement of visa-free travel between Singapore and China. The second quarter saw more muted activity in the hospitality sector, as demand began to normalise from pent-up travel demand. As there is still a gap of visitor arrivals to pre-pandemic levels, there is still a runway for growth ahead. Amidst a weak global economy, our diversified portfolio of hotels continued to show growth."

Our Singapore Hotels which are leased to the Sponsor, Millennium & Copthorne Hotels Limited<sup>4</sup>, have achieved the esteemed Global Sustainable Tourism Council (GSTC) certification. GSTC is an independent and neutral organisation which establishes and manages global standards for sustainable travel and tourism. Leading the charge towards our commitment to zero single-use plastics by 2050, the Grand Copthorne Waterfront Hotel has introduced an in-room water filtration system in its guest rooms, reducing single-use plastic waste generated from traditional bottled water consumption by 20%. Further, single-use plastics have been replaced with sustainable alternatives at events and banquets across these hotels.

<sup>1</sup> Comprising approximately S\$237.9 million committed unsecured revolving credit facilities, S\$10.6 million undrawn committed term loan facility and S\$400.0 million uncommitted bridge loan facilities

<sup>2</sup> Singapore Tourism Analytics Network

<sup>3</sup> The Business Times, "Singapore's 2023 tourism receipts hit S\$27.2 billion, may reach record S\$29 billion in 2024", 24 May 2024

<sup>4</sup> The hotels are, namely Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel and Studio M Hotel



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### Overseas Markets

Grand Millennium Auckland recorded a marginal RevPAR decline of 1.2% yoy in 1H 2024. NPI declined 13.9% or S\$0.5 million yoy, due to increased operating expenses, incurred in particular for the relaunch of the refreshed food and beverage establishments. With the ballroom renovation completed and re-opened for bookings, the revamped venue will strengthen the hotel's value proposition. Onward to the next stage of transformation, the hotel has commenced rooms refurbishment in phases starting from April 2024.

The Perth Hotels posted a RevPAR growth of 13.9% yoy in 1H 2024, led by occupancy growth from a stronger event line-up. Room renovation works has commenced from mid-May 2024 at Ibis Perth, rendering 24.1% of inventory out of order during renovation period. NPI registered an increase of 24.9% or S\$0.5 million yoy in 1H 2024 mainly from a significantly improved performance from Mercure Perth.

Japan Hotels continued to enjoy robust inbound demand, with 17.7 million visitors in 1H 2024, up 65.9% yoy and up 6.9% against 2019<sup>5</sup>. RevPAR grew 25.4% yoy, largely contributed by a strong increase in ADR. The Japan Hotels continue to perform exceptionally, recording their highest RevPAR for 1H of ¥10,410 since acquisition in 2014. Despite the depreciation of JPY against SGD, NPI improved 24.1% or S\$0.4 million yoy in 1H 2024.

The Maldives Resorts reported a 7.4% and 4.6% yoy increase in RevPAR and NPI respectively for 1H 2024. The Maldives achieved a 9.2% yoy growth in visitor arrivals in 1H 2024, surpassing one million visitor arrivals as of June 2024, with China re-emerging as the leading source in arrivals<sup>6</sup>. It is well positioned to meet its full year target of two million inbound visitors this year. Further, the new terminal being built at Velana International Airport is poised to enhance the nation's tourism capacity<sup>7</sup>.

In the UK, Hilton Cambridge City Centre and The Lowry Hotel registered a combined RevPAR growth of 4.7% yoy for 1H 2024. Hilton Cambridge City Centre grew RevPAR by 9.9% yoy given an improved leisure segment performance and recovery of corporate demand. The Lowry Hotel posted a marginal RevPAR decline of 0.8% yoy amidst a weaker football and concert calendar. The higher gross revenue was offset by increased operating costs, primarily from higher labour and utilities expenses. NPI contribution from voco Manchester – City Centre increased by S\$0.2 million against 1H 2023. Under the annual inflation-adjusted rent structure, the fixed rent increased by 4.5% to £2.65 million per annum for the period of 7 May 2024 to 6 May 2025. Overall NPI for the UK Hotels (in SGD terms) remained largely similar to the same period a year ago.

Our UK BTR, The Castings, achieved practical completion in early June 2024 and received its first residents in mid-July 2024. Per the announcement dated 31 August 2021, an acquisition fee of S\$1.3 million (£0.8 million) payable to the HBT Trustee-Manager has been recognised following the completion of the property.

In Germany, Pullman Hotel Munich reported an improvement in RevPAR of 9.0% yoy for 1H 2024. This was supported by enhanced corporate demand, and The UEFA European Football Championship, which had matches at the Allianz Arena in Munich. This boosted NPI, to record an increase of 10.6% or S\$0.4 million yoy for 1H 2024 (which included a write-back of prior year expenses of €115K).

In Italy, Hotel Cerretani Firenze recorded a 10.5% yoy RevPAR growth for 1H 2024. Notably, the hotel also recorded its highest 1H RevPAR of €232. The hotel posted an NPI increase of 3.9% yoy in 1H 2024.

Demand for the UK and Germany Hotels will be supported by a healthy event calendar and stable travel demand, while the demand for the Italy Hotel is expected to normalise following phenomenal growth in 2023 and 1H 2024.

<sup>5</sup> Nikkei Asia, "Japan's tourist arrivals at record high, recovering from pandemic drop", 19 Jul 2024

<sup>6</sup> Ministry of Tourism, Republic of Maldives

<sup>7</sup> The Edition, "History and Future of Velana International Airport as it marks 58 years of service", 12 Apr 2024



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Mr Yeo concluded, “In the execution of our asset diversification strategy, we are pleased that our maiden Build-To-Rent residential project, The Castings, has commenced operation in Manchester. When it has completed its gestation period next year, it will augment income stability to our portfolio. With ample debt headroom, we will continue to rejuvenate our portfolio hotels to strengthen their positions in the marketplace for the medium to long term. We will also continue to be vigilant to acquisition opportunities, as well as asset recycling opportunities to maximise value to our unitholders. In the meantime, the softening interest rate environment will also be a positive factor for us in the future.”

– ENDS –

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## CDL HOSPITALITY TRUSTS

### About CDL Hospitality Trusts

CDL Hospitality Trusts (“**CDLHT**”) is one of Asia’s leading hospitality trusts with assets under management of about S\$3.3 billion as at 30 June 2024. CDLHT is a stapled group comprising CDL Hospitality Real Estate Investment Trust (“**H-REIT**”), a real estate investment trust, and CDL Hospitality Business Trust (“**HBT**”), a business trust. CDLHT was listed on the Singapore Exchange Securities Trading Limited on 19 July 2006. M&C REIT Management Limited is the manager of H-REIT, the first hotel real estate investment trust in Singapore, and M&C Business Trust Management Limited is the trustee-manager of HBT.

CDLHT’s principal investment strategy is to invest in a diversified portfolio of real estate which is or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes globally. CDLHT’s portfolio comprises 20 properties (total of 4,820 hotel rooms, 352 Build-to-Rent apartment units and a retail mall). The properties under the portfolio include:

- (i) six hotels in the gateway city of Singapore comprising Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King’s Hotel, Studio M Hotel and W Singapore – Sentosa Cove (the “**W Hotel**” and collectively, the “**Singapore Hotels**”) as well as a retail mall adjoining Orchard Hotel (Claymore Connect);
- (ii) one hotel in New Zealand’s gateway city of Auckland, namely Grand Millennium Auckland (the “**New Zealand Hotel**”);
- (iii) two hotels in Perth, Australia comprising Mercure Perth and Ibis Perth (collectively, the “**Perth Hotels**”);
- (iv) two hotels in Japan’s gateway city of Tokyo comprising Hotel MyStays Asakusabashi and Hotel MyStays Kamata (collectively, the “**Japan Hotels**”);
- (v) two resorts in Maldives comprising Angsana Velavaru and Raffles Maldives Meradhoo (collectively, the “**Maldives Resorts**”);
- (i) three hotels and a residential Build-to-Rent property in the United Kingdom comprising Hilton Cambridge City Centre in Cambridge, The Lowry Hotel and voco Manchester – City Centre (collectively, the “**UK Hotels**”), and The Castings (the “**UK BTR**”) in Manchester;
- (ii) one hotel in Germany’s gateway city of Munich, namely Pullman Hotel Munich (the “**Germany Hotel**”); and
- (iii) one hotel in the historic city centre of Florence, Italy, namely Hotel Cerretani Firenze - MGallery (the “**Italy Hotel**” or “**Hotel Cerretani Firenze**”).