



CDL HOSPITALITY TRUSTS

**CDL HOSPITALITY TRUSTS  
UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS, H-REIT  
AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND  
YEAR ENDED 31 DECEMBER 2019**

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## CDL HOSPITALITY TRUSTS

A stapled group comprising:

### **CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES**

(a real estate investment trust constituted on 8 June 2006  
under the laws of the Republic of Singapore)

and

### **CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES**

(a business trust constituted on 12 June 2006  
under the laws of the Republic of Singapore)

## **CDL HOSPITALITY TRUSTS**

### **UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS, H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2019**

## **INTRODUCTION**

CDL Hospitality Trusts (“CDLHT”) is one of Asia’s leading hospitality trusts with assets valued at S\$2.8 billion. 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 (collectively the “Group”). 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 was established with the principal investment strategy of investing in a portfolio of hospitality and/or hospitality-related real estate assets. As at 31 December 2019, CDLHT owns 16 hotels and two resorts comprising a total of 5,088 rooms as well as a retail mall. The properties under CDLHT’s portfolio include:

- (i) six hotels in the gateway city of Singapore comprising Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King’s Hotel, Novotel Singapore Clarke Quay and Studio M Hotel (collectively, the “**Singapore Hotels**”), as well as a retail mall adjoining Orchard Hotel (Claymore Connect);
- (ii) three hotels in Brisbane and Perth, Australia comprising Novotel Brisbane, Mercure Perth and Ibis Perth (collectively, the “**Australia Hotels**”);
- (iii) two hotels in Japan’s gateway city of Tokyo comprising Hotel MyStays Asakusabashi and Hotel MyStays Kamata (collectively, the “**Japan Hotels**”);
- (iv) one hotel in New Zealand’s gateway city of Auckland, namely Grand Millennium Auckland (the “**New Zealand Hotel**”);
- (v) two hotels in United Kingdom (Hilton Cambridge City Centre in Cambridge and The Lowry Hotel in Manchester) (the “**UK Hotels**”);
- (vi) one hotel in Germany’s gateway of Munich, namely Pullman Hotel Munich (the “**German Hotel**”);
- (vii) one hotel in the historic city centre of Florence, Italy, namely Hotel Cerretani Firenze - MGallery (the “**Italy Hotel**”);  
and
- (viii) two resorts in Maldives, comprising Angsana Velavaru and Raffles Maldives Meradhoo (previously known as Dhevanafushi Maldives Luxury Resort, Managed by AccorHotels) (collectively, the “**Maldives Resorts**”).

The above portfolio of properties exclude Mercure Brisbane and Ibis Brisbane, which were divested on 11 January 2018.

HBT Group owns Hilton Cambridge City Centre and The Lowry Hotel and is also the master lessee of H-REIT Group’s Japan Hotels and Raffles Maldives Meradhoo. It will continue its function as a master lessee of last resort and may undertake certain hospitality and hospitality-related development projects, acquisitions and investments which may not be suitable or deemed suitable for H-REIT.

On 27 November 2018, H-REIT through its wholly-owned subsidiary, CDLHT CFM One Pte. Ltd., completed its acquisition of a 95.0% interest in Hotel Cerretani Firenze - MGallery (“Hotel Cerretani Firenze”) and the fixtures, furniture and equipment therein.

CDLHT’s distribution policy is to distribute at least 90.0% of its taxable income and all of its tax exempt income (if any), with the actual level of distribution to be determined at the H-REIT Manager’s and HBT Trustee-Manager’s discretion. CDLHT makes distributions to stapled securityholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the nine-month period ending on each of the said dates. Distributions, when paid, will be in Singapore dollars.

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)  
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,  
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND  
YEAR ENDED 31 DECEMBER 2019**

**SUMMARY OF CDL HOSPITALITY TRUSTS’ RESULTS**

	1 Oct 2019 to 31 Dec 2019 ("4Q 2019") S\$'000	1 Oct 2018 to 31 Dec 2018 ("4Q 2018") S\$'000	Increase/ (Decrease)  %	1 Jan 2019 to 31 Dec 2019 ("FY 2019") S\$'000	1 Jan 2018 to 31 Dec 2018 ("FY 2018") S\$'000	Increase/ (Decrease)  %
Revenue	53,976	52,281	3.2	196,872	201,803	(2.4)
Net property income	37,967	38,412	(1.2)	141,162	146,054	(3.3)
Total return before fair value adjustment	18,245	10,646	71.4	64,964	78,254	(17.0)
Income available for distribution to Stapled Securityholders (before retention)	25,675	29,082	(11.7)	98,749	109,604	(9.9)
Less:						
Income retained for working capital	(2,568)	(2,908)	(11.7)	(9,875)	(10,960)	(9.9)
Income to be distributed to Stapled Securityholders (after retention)	23,107	26,174	(11.7)	88,874	98,644	(9.9)
Capital distribution <sup>1</sup>	10,518	7,259	44.9	20,515	12,959	58.3
Total distribution to Stapled Securityholders (after retention)	33,625	33,433	0.6	109,389	111,603	(2.0)
<b>Total distribution per Stapled Security (before retention)<sup>2</sup> (cents)</b>						
For the period	2.98	3.01	(1.0)	9.83	10.17	(3.3)
<b>Total distribution per Stapled Security (after retention)<sup>2</sup> (cents)</b>						
For the period	2.77	2.77	-	9.02	9.26	(2.6)

<sup>1</sup> Includes partial distribution of proceeds from the sale of Mercure and Ibis Brisbane amounting to S\$4.7 million for 4Q 2019 (4Q 2018: S\$3.4 million) and S\$9.0 million for FY 2019 (FY 2018: S\$6.9 million).

<sup>2</sup> This includes capital distribution.

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**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,  
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2019**

**1 (a) Consolidated Statements of Total Return of H-REIT Group and CDL Hospitality Trusts and Consolidated Statements of Comprehensive Income of HBT Group with a comparative statement for the corresponding period of the immediately preceding financial year**

Foot-note	H-REIT Group			HBT Group <sup>(b)</sup>			CDL Hospitality Trusts		
	4Q 2019 S\$'000	4Q 2018 S\$'000	Increase/ (Decrease) %	4Q 2019 S\$'000	4Q 2018 S\$'000	Increase/ (Decrease) %	4Q 2019 S\$'000	4Q 2018 S\$'000	Increase/ (Decrease) %
<b>Revenue</b>									
Rental revenue	39,511	40,216	(1.8)	-	-	-	37,364	37,816	(1.2)
Hotel revenue	-	-	-	16,612	14,465	14.8	16,612	14,465	14.8
(a)	39,511	40,216	(1.8)	16,612	14,465	14.8	53,976	52,281	3.2
<b>Property expenses</b>									
Operation and maintenance expenses	-	-	-	(4,294)	(3,098)	38.6	(4,294)	(3,098)	38.6
Employee benefit expenses	-	-	-	(4,555)	(4,404)	3.4	(4,555)	(4,404)	3.4
Rental expenses	-	-	-	(1,186)	(2,563)	(53.7)	(61)	(163)	(62.6)
Property tax	(1,533)	(1,651)	(7.1)	(579)	(577)	0.3	(2,112)	(2,228)	(5.2)
Other property expenses	(1,084)	(1,147)	(5.5)	(3,903)	(2,829)	38.0	(4,987)	(3,976)	25.4
(f)	(2,617)	(2,798)	(6.5)	(14,517)	(13,471)	7.8	(16,009)	(13,869)	15.4
<b>Net property income</b>	36,894	37,418	(1.4)	2,095	994	N.M	37,967	38,412	(1.2)
H-REIT Manager's management fees	(3,339)	(3,327)	0.4	-	-	-	(3,339)	(3,327)	0.4
H-REIT Trustee's fees	(95)	(95)	-	-	-	-	(95)	(95)	-
HBT Trustee-Manager's management fees	-	-	-	(141)	(162)	(13.0)	(141)	(162)	(13.0)
HBT Trustee-Manager's trustee fees	-	-	-	(57)	(56)	1.8	(57)	(56)	1.8
Valuation fees	(24)	(39)	(38.5)	152	(9)	N.M	128	(48)	N.M
Depreciation and amortisation	(486)	(537)	(9.5)	(2,689)	(1,582)	70.0	(3,072)	(2,900)	5.9
Other expenses	(3,831)	(1,095)	N.M	(970)	(43)	N.M	(4,801)	(1,138)	N.M
(i)	390	1,156	(66.3)	-	362	N.M	3,317	1,162	N.M
Finance costs	(7,906)	(6,413)	23.3	(1,530)	(711)	N.M	(8,895)	(10,069)	(11.7)
Net finance costs	(7,516)	(5,257)	43.0	(1,530)	(349)	N.M	(5,578)	(8,907)	(37.4)
(n)	21,603	27,068	(20.2)	(3,140)	(1,207)	N.M	21,012	21,779	(3.5)
<b>Net income/(loss) before fair value adjustment</b>									
Reversal of revaluation deficit/(revaluation deficit) on property, plant and equipment and prepaid land lease	243	710	(65.8)	(1,088)	-	N.M	(17,325)	(2,793)	N.M
Net fair value gain on investment properties	46,780	28,718	62.9	-	-	-	66,418	35,076	89.4
(j)	68,626	56,496	21.5	(4,228)	(1,207)	N.M	70,105	54,062	29.7
<b>Total return/(Net loss) before tax</b>									
Tax expense	(1,638)	(10,827)	(84.9)	(1,129)	(306)	N.M	(2,767)	(11,133)	(75.1)
(o)	66,988	45,669	46.7	(5,357)	(1,513)	N.M	67,338	42,929	56.9
<b>Total return/(Net loss)</b>									
(p)	66,988	45,669	46.7	(5,357)	(1,513)	N.M	67,338	42,929	56.9
<b>Attributable to:</b>									
Unitholders	66,228	45,624	45.2	(5,357)	(1,513)	N.M	66,578	42,884	55.3
Non-controlling interests	760	45	N.M	-	-	-	760	45	N.M
(m)	66,988	45,669	46.7	(5,357)	(1,513)	N.M	67,338	42,929	56.9
<b>Total return/(Net loss)</b>									
	66,988	45,669	46.7	(5,357)	(1,513)	N.M	67,338	42,929	56.9

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**1 (a) Consolidated Statements of Total Return of H-REIT Group and CDL Hospitality Trusts and Consolidated Statements of Comprehensive Income of HBT Group with a comparative statement for the corresponding period of the immediately preceding financial year**

Foot-note	H-REIT Group			HBT Group <sup>(b)</sup>			CDL Hospitality Trusts		
	FY 2019 S\$'000	FY 2018 S\$'000	Increase/ (Decrease) %	FY 2019 S\$'000	FY 2018 S\$'000	Increase/ (Decrease) %	FY 2019 S\$'000	FY 2018 S\$'000	Increase/ (Decrease) %
	<b>Revenue</b>								
	150,148	152,292	(1.4)	-	-	-	142,015	143,133	(0.8)
	-	-	-	54,857	58,670	(6.5)	54,857	58,670	(6.5)
(a)	150,148	152,292	(1.4)	54,857	58,670	(6.5)	196,872	201,803	(2.4)
	<b>Property expenses</b>								
	-	-	-	(12,546)	(12,424)	1.0	(12,546)	(12,424)	1.0
(c)	-	-	-	(17,076)	(15,748)	8.4	(17,076)	(15,748)	8.4
(d)	-	-	-	(4,131)	(9,826)	(58.0)	(94)	(667)	(85.9)
(e)	(6,188)	(7,482)	(17.3)	(2,340)	(2,352)	(0.5)	(8,528)	(9,834)	(13.3)
(f)	(4,318)	(4,980)	(13.3)	(13,148)	(12,096)	8.7	(17,466)	(17,076)	2.3
	(10,506)	(12,462)	(15.7)	(49,241)	(52,446)	(6.1)	(55,710)	(55,749)	(0.1)
	139,642	139,830	(0.1)	5,616	6,224	(9.8)	141,162	146,054	(3.3)
	(13,118)	(12,873)	1.9	-	-	-	(13,118)	(12,873)	1.9
	(389)	(345)	12.8	-	-	-	(389)	(345)	12.8
(g)	-	-	-	(559)	(413)	35.4	(559)	(413)	35.4
	-	-	-	(224)	(229)	(2.2)	(224)	(229)	(2.2)
	(174)	(154)	13.0	121	(31)	N.M	(53)	(185)	(71.4)
(h)	(1,906)	(2,126)	(10.3)	(9,950)	(6,624)	50.2	(12,027)	(11,711)	2.7
(i)	(7,881)	(3,507)	N.M	(1,975)	(1,176)	67.9	(9,856)	(4,683)	N.M
	3,020	5,438	(44.5)	-	407	N.M	2,926	5,516	(47.0)
	(29,139)	(26,752)	8.9	(5,615)	(2,846)	97.3	(31,450)	(32,569)	(3.4)
(n)	(26,119)	(21,314)	22.5	(5,615)	(2,439)	N.M	(28,524)	(27,053)	5.4
	90,055	99,511	(9.5)	(12,586)	(4,688)	N.M	76,412	88,562	(13.7)
(j)	-	5,367	N.M	-	-	-	-	5,367	N.M
(k)	243	710	(65.8)	(1,088)	-	N.M	(17,325)	(2,793)	N.M
(l)	46,780	28,718	62.9	-	-	-	66,418	35,076	89.4
	137,078	134,306	2.1	(13,674)	(4,688)	N.M	125,505	126,212	(0.6)
(o)	(9,146)	(13,170)	(30.6)	(2,302)	(2,505)	(8.1)	(11,448)	(15,675)	(27.0)
(p)	127,932	121,136	5.6	(15,976)	(7,193)	N.M	114,057	110,537	3.2
	<b>Attributable to:</b>								
	126,606	120,919	4.7	(15,976)	(7,193)	N.M	112,731	110,320	2.2
(m)	1,326	217	N.M	-	-	-	1,326	217	N.M
	127,932	121,136	5.6	(15,976)	(7,193)	N.M	114,057	110,537	3.2

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**1 (a) Consolidated Statements of Total Return of H-REIT Group and CDL Hospitality Trusts and Consolidated Statements of Comprehensive Income of HBT Group with a comparative statement for the corresponding period of the immediately preceding financial year**

	HBT Group			HBT Group		
	4Q 2019 S\$'000	4Q 2018 S\$'000	Increase/ (Decrease) %	FY 2019 S\$'000	FY 2018 S\$'000	Increase/ (Decrease) %
<b>Net loss for the period</b>	(5,357)	(1,513)	N.M	(15,976)	(7,193)	N.M
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss:</b>						
Revaluation surplus on property, plant and equipment	1,785	5,256	(66.0)	1,785	5,256	(66.0)
Tax effect on revaluation surplus on property, plant and equipment	(64)	(865)	(92.6)	(65)	(1,471)	(95.6)
	1,721	4,391	(60.8)	1,720	3,785	(54.6)
<b>Items that are or may be reclassified subsequently to profit or loss:</b>						
Foreign currency translation differences:						
- foreign operations	3,116	(3,010)	N.M	1,167	(3,026)	N.M
- hedge of net investment in a foreign operation	(2,462)	2,474	N.M	(818)	2,475	N.M
- monetary items forming part of net investment in a foreign operation	2,899	(2,915)	N.M	965	(2,915)	N.M
	3,553	(3,451)	N.M	1,314	(3,466)	N.M
<b>Other comprehensive income for the period, net of tax</b>	5,274	940	N.M	3,034	319	N.M
<b>Total comprehensive income for the period</b>	(83)	(573)	(85.5)	(12,942)	(6,874)	88.3

**Footnotes**

- (a) Revenue comprises rental revenue and hotel revenue from CDLHT's properties. Please refer to Section 8 (i), page 28 to 29 of the Announcement.
- (b) The decrease in revenue and overall property expenses for HBT Group in FY 2019 is mainly attributed to the closure at Raffles Maldives Meradhoo for rebranding works during the year. The revenue and property expenses increased in 4Q 2019 after the resort re-opened in September 2019.
- (c) The employee benefit expenses for Raffles Maldives Meradhoo increased in 4Q 2019 and FY 2019 due to the hiring of staff for the resort which opened in September 2019.
- (d) Rental expenses for HBT Group and CDLHT have decreased in 4Q 2019 and FY 2019 as compared to the corresponding period last year as the Group has adopted FRS 116/SFRS(I) 16 Leases with effect from 1 January 2019. Accordingly, the Group's existing lease expenses for operating lease arrangements under FRS 116/SFRS(I) 16 are replaced with depreciation charge on right-of-use ("ROU") assets and interest expense on lease liabilities. Please refer to Section 5, page 25 of the Announcement for more details.
- (e) The decrease in property taxes in 4Q 2019 and FY 2019 is mainly attributed to tax savings from the Singapore properties following the finalisation of prior year assessments.
- (f) CDLHT's other property expenses comprise mainly utilities, insurance and other direct operating expenses. In 4Q 2019 and FY 2019, H-REIT Group's expenses have decreased yoy primarily due to the adoption of FRS 116/SFRS(I) 16 in relation to its lease of the units at Waterfront Conference Centre. In contrast, CDLHT's and HBT's expenses increased yoy mainly due to the re-opening of Raffles Maldives Meradhoo resort.
- Included in other property expenses for 4Q 2019 and FY 2019 is an impairment loss of S\$3K and S\$163K respectively, relating to the rental receivables of Claymore Connect. Conversely, the retail mall recognised a write-back of prior year impairment loss of S\$86K in FY 2018.
- (g) The increase in HBT Trustee-Manager's management fees in FY 2019 is attributed to the alignment of its fee structure to H-REIT Manager which was approved by Stapled Securityholders through an Extraordinary General Meeting held on 27 April 2018. With effect from 1 May 2018, HBT Trustee-Manager's management fees comprises a base fee of 0.25% per annum of the value of HBT's deposited property and a performance fee of 5.0% per annum of HBT's net property income.

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(h) *The depreciation and amortisation for CDLHT mainly relate to property, plant and equipment of the Japan and UK Hotels and Raffles Maldives Meradhoo.*

	H-REIT Group		HBT Group		CDL Hospitality Trusts	
	4Q 2019	4Q 2018	4Q 2019	4Q 2018	4Q 2019	4Q 2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment <sup>(i)</sup>	486	537	2,689	1,582	3,072	2,778
Amortisation of prepaid land lease	-	-	-	-	-	122
	486	537	2,689	1,582	3,072	2,900

	H-REIT Group		HBT Group		CDL Hospitality Trusts	
	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment <sup>(i)</sup>	1,906	2,126	9,950	6,624	12,027	11,375
Amortisation of prepaid land lease	-	-	-	-	-	336
	1,906	2,126	9,950	6,624	12,027	11,711

- (i) *Included in depreciation is depreciation charge on right-of-use (“ROU”) assets relating to property, plant and equipment. CDLHT has adopted FRS 116/SFRS(I) 16 Leases with effect from 1 January 2019. Accordingly, the Group’s existing lease expenses for operating lease arrangements under FRS 116/SFRS(I) 16 are replaced with depreciation charge of ROU assets and interest expense on lease liabilities. Please refer to Section 5, page 25 of the Announcement for more details.*
- (i) *Other trust expenses comprise mainly professional fees and administrative expenses. CDLHT incurred higher fees and administrative expenses in 4Q 2019 and FY 2019 mainly due to the recognition of S\$2.9 million winding down costs for NCQ and S\$1.1 million pre-opening costs for RMM as well as inclusion of a full year’s expenses for Hotel Cerretani Firenze (acquired on 27 November 2018).*
- (j) *On 22 December 2017, CDLHT entered into a sale and purchase agreement to sell Mercure Brisbane and Ibis Brisbane in Australia for a total consideration of A\$77.0 million. The sale was completed on 11 January 2018 and CDLHT recognised a gain on disposal of S\$5.4 million in FY 2018. There was no such disposal in FY 2019.*
- (k) *This relates to the annual revaluation of land and buildings included as part of property, plant and equipment under the revaluation model adopted by CDLHT. The impairment loss in FY 2019 arose mainly from Raffles Maldives Meradhoo.*
- (l) *This relates to net fair value gain recognised from the revaluation of CDLHT’s investment properties as at 31 December 2019. Please refer to Section 1(b)(i) footnote (b) on page 11 of the Announcement for details.*
- (m) *Non-controlling interests relate to the interest owned by the minority shareholders in relation to Pullman Hotel Munich and Hotel Cerretani Firenze (acquired on 27 November 2018).*

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)  
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

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(n) Net finance costs comprise the following:

	H-REIT Group			H-REIT Group		
	4Q 2019	4Q 2018	Increase/ (Decrease)	FY 2019	FY 2018	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest income received/receivable from banks	203	330	(38.5)	995	1,374	(27.6)
Interest income from finance lease <sup>(v)</sup>	(3)	-	N.M	189	-	N.M
Fair value gain on derivatives <sup>(i)</sup>	-	826	N.M	1,836	4,064	(54.8)
Exchange gain	190	-	N.M	-	-	-
Finance income	390	1,156	(66.3)	3,020	5,438	(44.5)
Exchange loss	-	(916)	N.M	(5,705)	(7,264)	(21.5)
Interest paid/payable to banks <sup>(iii)</sup>	(4,988)	(5,052)	(1.3)	(20,608)	(18,024)	14.3
Interest expense on lease liabilities <sup>(v)</sup>	(211)	-	N.M	(1,285)	-	N.M
Fair value loss on derivatives <sup>(i)</sup>	(2,313)	-	N.M	-	-	-
Amortisation of transaction costs capitalised <sup>(iv)</sup>	(336)	(390)	(13.8)	(1,310)	(1,242)	5.5
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(58)	(55)	5.5	(231)	(222)	4.1
Finance costs	(7,906)	(6,413)	23.3	(29,139)	(26,752)	8.9
Net finance costs	(7,516)	(5,257)	43.0	(26,119)	(21,314)	22.5

	HBT Group			HBT Group		
	4Q 2019	4Q 2018	Increase/ (Decrease)	FY 2019	FY 2018	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest income received/receivable from banks	-	-	-	-	1	N.M
Fair value gain on derivatives <sup>(i)</sup>	-	6	N.M	-	77	N.M
Exchange gain	-	356	N.M	-	329	N.M
Finance income	-	362	N.M	-	407	N.M
Exchange loss	(354)	-	N.M	(124)	-	N.M
Interest paid/payable to banks <sup>(iii)</sup>	(650)	(672)	(3.3)	(2,594)	(2,692)	(3.6)
Interest expense on lease liabilities <sup>(v)</sup>	(451)	-	N.M	(2,650)	-	N.M
Fair value loss on derivatives <sup>(i)</sup>	(37)	-	N.M	(94)	-	N.M
Amortisation of transaction costs capitalised <sup>(iv)</sup>	(38)	(39)	(2.6)	(153)	(154)	(0.6)
Finance costs	(1,530)	(711)	N.M	(5,615)	(2,846)	97.3
Net finance costs	(1,530)	(349)	N.M	(5,615)	(2,439)	N.M



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	CDL Hospitality Trusts			CDL Hospitality Trusts		
	4Q 2019 S\$'000	4Q 2018 S\$'000	Increase/ (Decrease) %	FY 2019 S\$'000	FY 2018 S\$'000	Increase/ (Decrease) %
Interest income received/receivable from banks	203	330	(38.5)	995	1,375	(27.6)
Interest income from finance lease <sup>(v)</sup>	(3)	-	N.M	189	-	N.M
Fair value gain on derivatives <sup>(i)</sup>	-	832	N.M	1,742	4,141	(57.9)
Exchange gain <sup>(ii)</sup>	3,117	-	N.M	-	-	-
Finance income	3,317	1,162	N.M	2,926	5,516	(47.0)
Exchange loss <sup>(ii)</sup>	-	(3,861)	N.M	(4,738)	(10,235)	(53.7)
Interest paid/payable to banks <sup>(iii)</sup>	(5,637)	(5,708)	(1.2)	(23,201)	(20,716)	12.0
Interest expense on lease liabilities <sup>(v)</sup>	(476)	-	N.M	(1,817)	-	N.M
Fair value loss on derivatives <sup>(i)</sup>	(2,350)	-	N.M	-	-	-
Amortisation of transaction costs capitalised <sup>(iv)</sup>	(374)	(445)	(16.0)	(1,463)	(1,396)	4.8
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(58)	(55)	5.5	(231)	(222)	4.1
Finance costs	(8,895)	(10,069)	(11.7)	(31,450)	(32,569)	(3.4)
Net finance costs	(5,578)	(8,907)	(37.4)	(28,524)	(27,053)	5.4

- (i) Fair value gain/loss on derivatives relates to the re-measurement of foreign exchange forward contracts to partially hedge H-REIT's and HBT's income from overseas as well as EUR/USD cross-currency interest rate swap contracts entered into by H-REIT to partially hedge its interest cost.
- (ii) The exchange loss of CDLHT for FY 2019 mainly arose from the depreciation of Australian dollar (“AUD”) and Euro (“EUR”) denominated receivables and cash balances against SGD. In contrast, CDLHT benefitted from an exchange gain in 4Q 2019 attributed to translation gains from the United States dollar (“USD”) bank loans. During the comparative period in 4Q 2018 and FY 2018, the exchange loss arose mainly from the translation losses from the USD denominated bank loans as well as the depreciation of AUD.
- (iii) The interest paid/payable to banks for FY 2019 were higher yoy mainly due to interest incurred on new loans drawdown in FY 2018 for the acquisition of Hotel Cerretani Firenze on 27 November 2018 and the renovation and rebranding works on the Group's properties as well as higher funding cost on its floating rate loans.
- (iv) The amortisation costs in 4Q 2019 and FY 2019 relate to the amortisation of transaction costs arising from CDLHT's borrowings.
- (v) CDLHT has adopted FRS 116/SFRS(I) 16 Leases with effect from 1 January 2019. Accordingly, the Group's existing lease expenses for operating lease arrangements under FRS 116/SFRS(I) 16 are replaced with depreciation charge of ROU assets related to property, plant and equipment and interest expense on lease liabilities. Additionally, the sublease of Waterfront Conference Centre under H-REIT Group was classified as a finance lease, resulting in an interest income from finance lease. Please refer to Section 5, page 25 of the Announcement for more details.

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(o) This relates to current and deferred taxes in respect of CDLHT’s properties.

	H-REIT Group		HBT Group		CDL Hospitality Trusts	
	4Q 2019 S\$’000	4Q 2018 S\$’000	4Q 2019 S\$’000	4Q 2018 S\$’000	4Q 2019 S\$’000	4Q 2018 S\$’000
Corporate income tax	(1,891)	(6,268)	(253)	87	(2,144)	(6,181)
Deferred tax	(25)	(4,306)	(640)	(93)	(665)	(4,399)
Withholding tax	(71)	(249)	(234)	(235)	(305)	(484)
Underprovision in respect of prior year tax	349	(4)	(2)	(65)	347	(69)
	(1,638)	(10,827)	(1,129)	(306)	(2,767)	(11,133)

	H-REIT Group		HBT Group		CDL Hospitality Trusts	
	FY 2019 S\$’000	FY 2018 S\$’000	FY 2019 S\$’000	FY 2018 S\$’000	FY 2019 S\$’000	FY 2018 S\$’000
Corporate income tax <sup>(i)</sup>	(8,925)	(8,906)	(909)	(584)	(9,834)	(9,490)
Deferred tax	(330)	(4,651)	(435)	(903)	(765)	(5,554)
Withholding tax	(253)	(289)	(956)	(953)	(1,209)	(1,242)
(Under)/Overprovision in respect of prior year tax	362	676	(2)	(65)	360	611
	(9,146)	(13,170)	(2,302)	(2,505)	(11,448)	(15,675)

(i) Corporate income tax has increased due to tax arising from the Group’s overseas properties.

(p) Total return of CDLHT is contributed by:

	CDL Hospitality Trusts		CDL Hospitality Trusts	
	4Q 2019 S\$’000	4Q 2018 S\$’000	FY 2019 2019 S\$’000	FY 2018 2018 S\$’000
H-REIT	77,453	37,798	135,401	105,296
Other H-REIT group entities (including consolidation adjustments)	(10,465)	7,871	(7,469)	15,840
HBT	248	(17,822)	136	(15,577)
Other HBT group entities (including consolidation adjustments)	(5,605)	16,309	(16,112)	8,384
CDL Hospitality Trusts’ consolidation adjustments	5,707	(1,227)	2,101	(3,406)
	67,338	42,929	114,057	110,537

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(q) *Income available for distribution<sup>(i)</sup>*

	CDL Hospitality Trusts		CDL Hospitality Trusts	
	4Q 2019	4Q 2018	FY 2019	FY 2018
	S\$'000	S\$'000	2019	2018
		S\$'000	S\$'000	
Total return of H-REIT	77,453	37,798	135,401	105,296
Total comprehensive income of HBT	248	(17,822)	136	(15,577)
Add/(Less): Non tax deductible/(tax chargeable) items:				
- Net fair value (gain)/loss on investment properties	(81,308)	(21,885)	(81,308)	(21,885)
- Amortisation of transaction costs	331	385	1,288	1,232
- Income in relation to gain on disposal of investment properties	-	-	-	(7,567)
- Income in relation to gain on dissolution of a subsidiary	-	-	(582)	-
- Fair value loss/(gain) on financial derivatives	2,313	(826)	(1,836)	(4,064)
- Financial expense arising from remeasuring non-current rental deposits at amortised cost	58	55	231	222
- Exchange (gain)/loss	(2,599)	3,848	7,220	15,563
- H-REIT Manager's fees paid/payable in Stapled Securities	2,671	2,663	10,494	10,300
- H-REIT Trustee's fees	95	95	389	345
- HBT Trustee-Manager's management fees paid/payable in Stapled Securities	113	129	447	330
- HBT Trustee-Manager's trustee fees	57	56	224	229
- Impairment loss on subsidiaries <sup>(iii)</sup>	23,636	24,367	23,636	24,367
- Other items	2,607	219	3,009	813
Income available for distribution to Stapled Securityholders (before retention)	25,675	29,082	98,749	109,604
Less :				
Income retained for working capital	(2,568)	(2,908)	(9,875)	(10,960)
Income to be distributed to Stapled Securityholders (after retention)	23,107	26,174	88,874	98,644
Capital distribution <sup>(ii)</sup>	10,518	7,259	20,515	12,959
Total distribution to Stapled Securityholders (after retention)	33,625	33,433	109,389	111,603
Comprising :				
- Taxable income	20,964	19,922	72,494	74,367
- Tax exempt income	2,143	6,252	16,380	24,277
- Capital distribution	10,518	7,259	20,515	12,959
	33,625	33,433	109,389	111,603

(i) The distribution of CDLHT represents the aggregate of distributions by H-REIT and HBT.

(ii) The capital distribution comprises income from CDLHT's properties as well as CDLHT's continued partial distribution of proceeds from the 2018 disposal of Mercure Brisbane and Ibis Brisbane. For a meaningful yoy comparison of the total income from overseas properties, tax exempt income and capital distribution should be read collectively.

(iii) This relates to impairment loss on H-REIT's cost of investment in its Maldives subsidiaries and HBT's cost of investment in its UK subsidiary which have no impact on the income available for distribution.

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**1 (b)(i) Statements of Financial Position together with a comparative statement at the end of the immediately preceding financial year**

	Footnote	H-REIT Group		HBT Group <sup>(a)</sup>		CDL Hospitality Trusts	
		31 Dec 2019 S\$'000	31 Dec 2018 S\$'000	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000
<b>ASSETS</b>							
<b>Non-current assets</b>							
Investment properties	(b)	2,209,253	2,497,456	-	-	2,139,392	2,428,921
Property, plant and equipment	(c)	86,240	84,186	257,735	202,316	373,843	348,183
Prepaid land lease	(c)	-	-	-	-	-	6,853
Deferred tax assets		635	606	-	-	635	606
Finance lease receivables	(d)	4,923	-	-	-	4,923	-
Financial derivative assets	(e)	5,968	3,960	-	-	5,968	3,960
Other receivables		149	149	-	-	149	149
		<b>2,307,168</b>	<b>2,586,357</b>	<b>257,735</b>	<b>202,316</b>	<b>2,524,910</b>	<b>2,788,672</b>
<b>Current assets</b>							
Inventories		-	-	1,767	889	1,767	889
Trade and other receivables		50,079	39,791	14,190	11,241	28,915	32,828
Finance lease receivables	(d)	800	-	-	-	800	-
Financial derivative assets	(e)	79	124	-	70	79	195
Cash and cash equivalents		128,152	127,077	7,802	12,506	135,954	139,583
Assets held for sale	(b)	368,700	-	-	-	368,700	-
		<b>547,810</b>	<b>166,992</b>	<b>23,759</b>	<b>24,706</b>	<b>536,215</b>	<b>173,495</b>
<b>Total assets</b>		<b>2,854,978</b>	<b>2,753,349</b>	<b>281,494</b>	<b>227,022</b>	<b>3,061,125</b>	<b>2,962,167</b>
<b>LIABILITIES</b>							
<b>Non-current liabilities</b>							
Loans and borrowings	(f)	890,711	669,275	94,554	93,418	985,265	762,693
Lease liabilities	(g)	24,166	-	53,359	-	38,673	-
Rental deposits	(h)	9,761	9,530	-	-	9,761	9,530
Other payables	(j)	715	713	-	-	715	713
Deferred tax liabilities	(i)	16,925	16,262	16,032	15,367	32,958	31,629
		<b>942,278</b>	<b>695,780</b>	<b>163,945</b>	<b>108,785</b>	<b>1,067,372</b>	<b>804,565</b>
<b>Current liabilities</b>							
Loans and borrowings	(f)	78,662	248,675	-	-	78,662	248,675
Lease liabilities	(g)	1,079	-	2,072	-	1,087	-
Trade and other payables	(j)	37,307	35,152	41,673	24,811	43,625	41,758
Financial derivative liabilities	(e)	164	37	23	-	187	37
Provision for taxation	(k)	6,883	11,237	822	573	7,705	11,810
		<b>124,095</b>	<b>295,101</b>	<b>44,590</b>	<b>25,384</b>	<b>131,266</b>	<b>302,280</b>
<b>Total liabilities</b>		<b>1,066,373</b>	<b>990,881</b>	<b>208,535</b>	<b>134,169</b>	<b>1,198,638</b>	<b>1,106,845</b>
<b>Net assets</b>		<b>1,788,605</b>	<b>1,762,468</b>	<b>72,959</b>	<b>92,853</b>	<b>1,862,487</b>	<b>1,855,322</b>
<b>Represented by:</b>							
Unitholders' funds		1,780,289	1,754,809	72,959	92,853	1,854,171	1,847,663
Non-controlling interests	(l)	8,316	7,659	-	-	8,316	7,659
		<b>1,788,605</b>	<b>1,762,468</b>	<b>72,959</b>	<b>92,853</b>	<b>1,862,487</b>	<b>1,855,322</b>

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
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**Footnotes**

- (a) *The Statement of Financial Position of HBT Group comprises the resort operations of Raffles Maldives Meradhoo, the Japan Hotels and the UK Hotels.*
- (b) *The decrease in investment properties at HREIT Group was mainly due to the reclassification of Novotel Singapore Clarke Quay to asset held for sale. However, the decrease was partially offset by the recognition of net fair value gain of H-REIT Group investment properties at the end of the financial year. The details are as follows:*

*The investment properties were valued by Knight Frank Pte Ltd, CBRE Valuations Pty Limited, CBRE Limited, C & W (U.K.) LLP, C & W (U.K.) LLP (Italian Branch), C & W (U.K.) LLP - German Branch, Cushman & Wakefield K.K., Jones Lang LaSalle Property Consultants Pte Ltd and Jones Lang LaSalle Advisory Services Pty Limited, all independent registered valuers, and adopted in the financial statements of the Group as at 31 December 2019 as follows:*

Properties	Tenure	Valuation	
		Foreign currency (million)	(S\$ million)
Orchard Hotel	75 years from 19 July 2006		466.0
Grand Copthorne Waterfront Hotel	75 years from 19 July 2006		370.0
M Hotel	75 years from 19 July 2006		245.0
Studio M Hotel	99 years from 26 February 2007		173.0
Copthorne King's Hotel	99 years from 1 February 1968		120.0
Claymore Connect Mall	75 years from 19 July 2006		93.8
Grand Millennium Auckland	Freehold	NZ\$222.5	200.5
Novotel Brisbane	Freehold	A\$73.0	68.5
Mercure Perth	Freehold	A\$48.0	45.1
Ibis Perth	Freehold	A\$31.0	29.1
Angsana Velavaru	50 years from 26 August 1997	US\$57.6	78.0
Raffles Maldives Meradhoo	50 years from 15 June 2006	US\$45.0	61.0
Pullman Hotel Munich	Freehold	EUR115.7	173.9
Hotel Cerretani Firenze - MGallery	Freehold	EUR43.9	66.0

*The valuation at H-REIT Group's investment properties gave rise to a net fair value gain of S\$46.8 million as at 31 December 2019 (31 December 2018: net fair value gain of S\$28.7 million). This net fair value is recognised in H-REIT Group's Statement of Total Return for FY 2019 and has no impact on the income available for distribution to holders of Stapled Securities.*

*Included in H-REIT Group's investment properties as at 31 December 2019 is a net translation loss of S\$20.0 million (31 December 2018: net translation loss of S\$17.6 million) relating to its overseas properties.*

*On 21 November 2019, CDLHT announced its proposed divestment of Novotel Singapore Clarke Quay. Accordingly, this investment property valued, at S\$368.7 million, has been reclassified to assets held for sale.*

- (c) *The property, plant and equipment at H-REIT Group and HBT Group comprise the Japan Hotels and the UK Hotels respectively.*

*The property, plant and equipment at CDLHT comprise the Japan Hotels, Raffles Maldives Meradhoo and the UK Hotels. For Raffles Maldives Meradhoo, the property is leased by H-REIT's indirect wholly-owned subsidiary to HBT's indirect wholly-owned subsidiary. For the Japan Hotels, there is a master lease arrangement between a trust bank in Japan (in its capacity as the trust bank holding the legal title to the Japan Hotels) and HBT's indirect wholly-owned subsidiary. As these properties are considered property held for use as owner-occupied properties, they are classified as property, plant and equipment instead of investment property in CDLHT's financial statements.*

*CDLHT has adopted FRS 116/SFRS(I) 16 Leases with effect from 1 January 2019. Accordingly, operating leases that qualify as ROU assets relating to property, plant and equipment has been recognised on CDLHT's balance sheet and prepaid land lease has been reclassified to property, plant and equipment. Please refer to Section 5, page 25 of the Announcement for more details.*

*The increase in property, plant and equipment at CDLHT is mainly due to the recognition of ROU assets related to property, plant and equipment of S\$22.0 million (as described above), net additions of S\$18.3 million and a net translation gain of S\$1.1 million, offset by a net revaluation loss on land and buildings of S\$11.3 million and depreciation expenses of S\$11.3 million for the period.*

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- (d) *Under FRS 116/SFRS(I) 16 Leases, the sublease of Waterfront Conference Centre under H-REIT Group was classified as a finance lease. Please refer to Section 5, page 25 of the Announcement for more details.*
- (e) *Movement in financial derivatives arose from fair value changes upon re-measurement of foreign exchange forward contracts and cross-currency interest rate swaps.*
- (f) *Loans and borrowings of CDLHT of S\$1.06 billion (as at 31 December 2018: S\$1.01 billion), which are measured at amortised cost, comprise JPY3.1 billion (S\$38.3 million) TMK bond and S\$1.03 million bank borrowings, as explained under Section 1(b)(ii) on pages 13 to 15 of the Announcement.*

*During the reporting quarter, about S\$88.1 million loans were refinanced into longer tenor borrowings. For further details, refer to footnote (v) on page 15 of the Announcement.*

- (g) *The lease liabilities represent CDLHT's obligation to make lease payments in relation to the ROU assets recognised in accordance to FRS 116/SFRS(I) 16 which was effective on 1 January 2019. Please refer to Section 5, page 25 of the Announcement for more details.*
- (h) *Rental deposits relate to rental deposits collected from the Master Lessees and tenants at Claymore Connect, stated at amortised cost.*
- (i) *The deferred tax liabilities mainly relate to the Australia, UK and Japan properties.*
- (j) *Trade and other payables for the Group relates mainly to payables for operational and trust expenses. Included in HBT Group's payables are amounts owing to suppliers in respect of the rebranding works on Raffles Maldives Meradhoo.*
- (k) *Provision for taxation comprise tax provisions arising from the Group's overseas properties.*
- (l) *Non-controlling interests relate to the interests owned by the minority shareholder in relation to the Pullman Hotel Munich and the Hotel Cerretani Firenze (acquired on 27 November 2018).*

CDL HOSPITALITY TRUSTS (“CDLHT”)  
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)  
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)

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1 (b)(ii) Aggregate amount of group’s borrowings and debt securities

	H-REIT Group		HBT Group		CDL Hospitality Trusts	
	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000
<b>Amount repayable after one year</b>						
Secured borrowings	66,123	68,737	-	-	66,123	68,737
Secured TMK bond	-	38,471	-	-	-	38,471
Unsecured borrowings	827,891	564,357	95,002	94,019	922,893	658,376
	894,014	671,565	95,002	94,019	989,016	765,584
<b>Amount repayable within one year</b>						
Secured TMK bond	38,347	-	-	-	38,347	-
Unsecured borrowings	40,450	248,830	-	-	40,450	248,830
	78,797	248,830	-	-	78,797	248,830
<b>Total borrowings<sup>(a)</sup></b>	<b>972,811</b>	<b>920,395</b>	<b>95,002</b>	<b>94,019</b>	<b>1,067,813</b>	<b>1,014,414</b>

<sup>(a)</sup> The borrowings are presented before the deduction of unamortised transaction costs.

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
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**1 (b)(ii) Aggregate amount of group’s borrowings and debt securities**

**Details of borrowings**

The facilities and borrowings of the H-REIT Group, HBT Group and CDL Hospitality Trusts are set out below:

Facilities		H-REIT Group			HBT Group			CDL Hospitality Trusts		
		31 Dec 2019			31 Dec 2019			31 Dec 2019		
Currency	Type*	Facility amount S\$'000	Drawn down S\$'000	Undrawn S\$'000	Facility amount S\$'000	Drawn down S\$'000	Undrawn S\$'000	Facility amount S\$'000	Drawn down S\$'000	Undrawn S\$'000
JPY	TMK bond (¥3.1 billion) <sup>(i)</sup>	38,347	38,347	-	-	-	-	38,347	38,347	-
JPY	5-year term loan (¥3.27 billion)	40,450	40,450	-	-	-	-	40,450	40,450	-
SGD	Medium term note <sup>(iii)</sup>	1,000,000	-	1,000,000	-	-	-	1,000,000	-	1,000,000
SGD	Bridge loan <sup>(iv)</sup>	300,000	-	300,000	200,000	-	200,000	500,000	-	500,000
SGD	3 to 3.25-year revolving credit (committed)	250,000	191,862	58,138	-	-	-	250,000	191,862	58,138
SGD	5-year term loans <sup>(v)</sup>	273,600	273,600	-	-	-	-	273,600	273,600	-
USD	5-year term loans (US\$181.2 million)	245,436	245,436	-	-	-	-	245,436	245,436	-
EUR	7-year term loan (€44.0 million) <sup>(ii)</sup>	66,123	66,123	-	-	-	-	66,123	66,123	-
GBP	5-year term loans (£120.5 million)	116,993	116,993	-	95,002	95,002	-	211,995	211,995	-
		<b>2,330,949</b>	<b>972,811</b>	<b>1,358,138</b>	<b>295,002</b>	<b>95,002</b>	<b>200,000</b>	<b>2,625,951</b>	<b>1,067,813</b>	<b>1,558,138</b>

\* Apart from the TMK bond and the 7-year EUR term loan, all the borrowings of the Group are unsecured.

Excluded from the borrowings above are the lease liabilities of S\$25.2 million, S\$55.4 million and S\$39.8 million for H-REIT Group, HBT Group and CDLHT respectively, which are secured over the finance lease receivables and right-of-use assets (recognised as part of investment properties and property, plant and equipment).



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**(i) Secured TMK bond**

The TMK bond included in H-REIT Group relates to 5-year Japanese yen denominated bond of JPY3.1 billion (S\$38.3 million) issued by H-REIT’s indirectly owned subsidiary, CDLHT Hanei Tokutei Mokuteki Kaisha. CDLHT’s interest in Japan Hotels is held via a Tokutei Mokuteki Kaisha (“TMK”) structure, and such TMK structure is required to issue bond to partially fund the acquisition of Japan assets.

The bondholders have a statutory preferred right, under Article 128 of the Japan Asset Liquidation Law, to receive payment of all obligations under the bond prior to other creditors out of the assets of the TMK. Such right shall be junior to the priority of the general statutory lien under the Japan Civil Code. While the assets of TMK are subject to a statutory preferred right, it is not considered a mortgage under Japan laws.

**(ii) Secured borrowing**

The secured bank loan relates to a 7-year fixed rate loan of S\$66.1 million (€44.0 million) drawn down by H-REIT’s indirectly-owned subsidiary, NKS Hospitality I B.V..

The securities include (i) a first legal mortgage on the property, (ii) assignment of the rights and claims under the property’s major contracts such as the lease agreement and insurance policies and (iii) pledge of shares and bank accounts of NKS Hospitality I B.V..

**(iii) Unsecured medium term note**

H-REIT’s wholly-owned subsidiary, CDLHT MTN Pte. Ltd. (the “Issuer”) has in place a S\$1.0 billion Multi-currency Medium Term Note Programme (the “Programme”).

As at 31 December 2019, there are no outstanding medium term notes.

**(iv) Unsecured bridge loan**

H-REIT and HBT has in place a S\$300.0 million and S\$200.0 million uncommitted multi-currency bridge loan facility with a bank respectively (the “Bridge Loan Facilities”) to fund acquisitions, capital expenditure and working capital requirements.

The Bridge Loan Facilities can be drawn in multiple tranches and each tranche is to be repaid within a maximum period of one year from each draw down date or one year from the first drawn date (where the amount is drawn in multiple tranches).

As at 31 December 2019, the bridge loan remains unutilized.

**(v) Unsecured borrowings**

Included therein is a US\$65.0 million (S\$88.1 million) term loan, which was re-financed upon its maturity in December 2019 with a 5-year floating rate term loan.

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ENDED 31 DECEMBER 2019**

**1 (c) Consolidated Statements of Cash Flows**

	H-REIT Group		HBT Group		CDL Hospitality Trusts	
	4Q 2019	4Q 2018	4Q 2019	4Q 2018	4Q 2019	4Q 2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Operating activities</b>						
Total return/(Net loss) for the period before tax	68,626	56,496	(4,228)	(1,207)	70,105	54,062
Adjustments for:						
H-REIT Manager's/HBT Trustee-Manager's fee paid/payable in Stapled Securities (a)	2,671	2,663	113	129	2,784	2,792
Depreciation of property, plant and equipment	486	537	2,689	1,582	3,072	2,778
Amortisation of prepaid land lease	-	-	-	-	-	122
(Reversal of revaluation deficit)/revaluation deficit on property, plant and equipment and prepaid land lease	(243)	(710)	1,088	-	17,325	2,793
Property, plant and equipment written off	-	7	-	-	-	7
Impairment loss on trade receivables	3	-	19	44	23	44
Net fair value gain on investment properties	(46,780)	(28,718)	-	-	(66,418)	(35,076)
Net finance costs	7,516	5,257	1,530	349	5,578	8,907
<b>Operating income before working capital changes</b>	<b>32,279</b>	<b>35,532</b>	<b>1,211</b>	<b>897</b>	<b>32,469</b>	<b>36,429</b>
<b>Changes in working capital:</b>						
Inventories	-	-	(605)	44	(605)	44
Trade and other receivables	4,833	(379)	(506)	(1,453)	9,134	3,266
Trade and other payables	12,084	6,214	4,779	3,900	12,057	5,014
<b>Cash generated from operating activities</b>	<b>49,196</b>	<b>41,367</b>	<b>4,879</b>	<b>3,388</b>	<b>53,055</b>	<b>44,753</b>
Income tax paid	(9,261)	(335)	191	(480)	(9,070)	(815)
<b>Net cash generated from operating activities</b>	<b>39,935</b>	<b>41,032</b>	<b>5,070</b>	<b>2,908</b>	<b>43,985</b>	<b>43,938</b>
<b>Investing activities</b>						
Acquisition of subsidiaries, net of cash acquired	(1,838)	(46,936)	-	-	(1,838)	(46,936)
Capital expenditure on investment properties	(15,823)	(17,839)	-	-	(6,061)	(3,721)
Additions of property, plant and equipment	(67)	(91)	(1,954)	(1,460)	(11,783)	(15,670)
Receipt of finance lease receivable	244	-	-	-	244	-
Interest received	204	284	-	-	204	285
<b>Cash used in investing activities</b>	<b>(17,280)</b>	<b>(64,582)</b>	<b>(1,954)</b>	<b>(1,460)</b>	<b>(19,234)</b>	<b>(66,042)</b>
<b>Financing activities</b>						
Capital contributions from non-controlling interests	-	487	-	-	-	487
Payment of transaction costs related to rights issue	(230)	-	-	-	(230)	-
Proceeds from bank loans	96,946	63,951	-	-	96,946	63,951
Repayment of bank loans	(88,062)	(17,472)	-	-	(88,062)	(17,472)
Payment of transaction costs related to bank loans	(458)	1	-	-	(458)	1
Payment of lease liabilities	(370)	-	(746)	-	(280)	-
Finance costs paid (b)	(4,098)	(4,857)	(1,094)	(663)	(5,006)	(5,520)
Distribution to holders of Stapled Securities	-	-	-	-	(1)	-
Distribution to non-controlling interests	(71)	(95)	-	-	(71)	(95)
Return of capital to non-controlling interests	(24)	(24)	-	-	(24)	(24)
Movement in restricted cash	(191)	(188)	-	-	(191)	(188)
<b>Cash generated from/(used in) financing activities</b>	<b>3,442</b>	<b>41,803</b>	<b>(1,840)</b>	<b>(663)</b>	<b>2,623</b>	<b>41,140</b>
<b>Net increase in cash and cash equivalents</b>	<b>26,097</b>	<b>18,253</b>	<b>1,276</b>	<b>785</b>	<b>27,374</b>	<b>19,036</b>
Cash and cash equivalents at beginning of the period	100,772	108,274	6,398	12,055	107,170	120,329
Effect of exchange rate changes on cash and cash equivalents	222	(787)	128	(334)	349	(1,119)
<b>Cash and cash equivalents at end of the period (c)</b>	<b>127,091</b>	<b>125,740</b>	<b>7,802</b>	<b>12,506</b>	<b>134,893</b>	<b>138,246</b>

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
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**1 (c) Consolidated Statements of Cash Flows**

Foot-note	H-REIT Group		HBT Group		CDL Hospitality Trusts	
	FY 2019 S\$'000	FY 2018 S\$'000	FY 2019 S\$'000	FY 2018 S\$'000	FY 2019 S\$'000	FY 2018 S\$'000
<b>Operating activities</b>						
Total return/ (Net loss) for the period before tax	137,078	134,306	(13,674)	(4,688)	125,505	126,212
Adjustments for:						
H-REIT Manager's/HBT Trustee-Manager's fee paid/payable in Stapled Securities	(a) 10,494	10,300	447	330	10,941	10,630
Depreciation of property, plant and equipment	1,906	2,126	9,950	6,624	12,027	11,375
Amortisation of prepaid land lease	-	-	-	-	-	336
(Reversal of revaluation deficit)/revaluation deficit on property, plant and equipment and prepaid land lease	(243)	(710)	1,088	-	17,325	2,793
Property, plant and equipment written off	-	7	240	-	240	7
Impairment loss/(Reversal of impairment loss) on trade receivables	163	(86)	(9)	167	155	81
Net fair value gain on investment properties	(46,780)	(28,718)	-	-	(66,418)	(35,076)
Gain on disposal of investment properties and related cessation of business of foreign operations	-	(5,367)	-	-	-	(5,367)
Net finance costs	26,119	21,314	5,615	2,439	28,524	27,053
<b>Operating income before working capital changes</b>	128,737	133,172	3,657	4,872	128,299	138,044
<b>Changes in working capital:</b>						
Inventories	-	-	(888)	275	(888)	275
Trade and other receivables	(11,191)	(17,205)	(3,015)	(3,043)	3,280	(10,836)
Trade and other payables	5,458	(876)	17,182	8,789	5,153	(1,485)
<b>Cash generated from operating activities</b>	123,004	115,091	16,936	10,893	135,844	125,998
Income tax paid	(13,290)	(1,295)	(1,662)	(1,529)	(14,952)	(2,824)
<b>Net cash generated from operating activities</b>	109,714	113,796	15,274	9,364	120,892	123,174
<b>Investing activities</b>						
Acquisition of subsidiaries, net of cash acquired	(1,838)	(47,736)	-	-	(1,838)	(47,736)
Capital expenditure on investment properties	(38,897)	(32,332)	-	-	(26,156)	(13,840)
Additions of property, plant and equipment	(477)	(475)	(5,351)	(4,132)	(18,569)	(23,115)
Proceeds from disposal of investment properties (net)	23	80,149	-	-	23	80,149
Receipt of finance lease receivable	756	-	-	-	756	-
Interest received	1,220	1,306	-	-	1,220	1,307
<b>Cash (used in)/generated from investing activities</b>	(39,213)	912	(5,351)	(4,132)	(44,564)	(3,235)
<b>Financing activities</b>						
Capital contributions from non-controlling interests	-	487	-	-	-	487
Payment of transaction costs related to rights issue	(230)	(30)	-	-	(230)	(30)
Proceeds from bank loans	322,957	268,646	-	-	322,957	268,646
Repayment of bank loans	(264,340)	(205,420)	-	-	(264,340)	(205,420)
Payment of transaction costs related to bank loans	(2,304)	(881)	-	(29)	(2,304)	(910)
Payment of lease liabilities	(1,022)	-	(2,020)	-	(1,064)	-
Finance costs paid	(b) (18,612)	(15,438)	(5,242)	(2,689)	(21,735)	(18,127)
Distribution to holders of Stapled Securities	(102,726)	(106,353)	(7,399)	(6,983)	(110,125)	(113,336)
Distribution to non-controlling interests	(309)	(314)	-	-	(309)	(314)
Return of capital to non-controlling interests	(97)	(49)	-	-	(97)	(49)
Repayment of loan to non-controlling interests	-	(3,669)	-	-	-	(3,669)
Movement in restricted cash	276	(59)	-	-	276	(59)
<b>Cash used in financing activities</b>	(66,407)	(63,080)	(14,661)	(9,701)	(76,971)	(72,781)
<b>Net increase/(decrease) in cash and cash equivalents</b>	4,094	51,628	(4,738)	(4,469)	(643)	47,158
Cash and cash equivalents at beginning of the period	125,740	77,370	12,506	17,278	138,246	94,648
Effect of exchange rate changes on cash and cash equivalents	(2,743)	(3,258)	34	(303)	(2,710)	(3,560)
<b>Cash and cash equivalents at end of the period</b>	(c) 127,091	125,740	7,802	12,506	134,893	138,246

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**Footnotes**

(a) Significant non-cash transactions

4Q 2019

1,753,648 (4Q 2018: 2,010,255) Stapled Securities amounting to S\$2.8 million (4Q 2018: S\$2.8 million) will be issued to the H-REIT Manager and HBT Trustee-Manager as satisfaction of management fees payable in units in respect of the quarter.

FY 2019

6,743,852 (FY 2018: 6,937,052) Stapled Securities amounting to S\$10.9 million (FY 2018: S\$10.6 million) were issued or will be issued to the H-REIT Manager and HBT Trustee-Manager as satisfaction of management fees payable in units in respect of FY 2019.

(b) Finance costs paid increased due to the Group’s adoption of FRS 116/SFRS(I) 16 Leases (see Section 5 on page 25 of the Announcement).

(c) Cash and cash equivalents for H-REIT Group and CDLHT as at 31 December 2019 are as follows:

	H-REIT Group S\$’000	CDL Hospitality Trusts S\$’000
Cash and cash equivalents in the Statement of Financial Position	128,152	135,954
Restricted cash <sup>(a)</sup>	(1,061)	(1,061)
Cash and cash equivalents in the Statement of Cash Flows	127,091	134,893

<sup>(a)</sup> Relates to cash reserved by a trust bank in Japan.

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**1 (d) Statements of Movements in Unitholders’ funds for the period from 1 October 2019 to 31 December 2019**

Footnote	H-REIT Group			HBT Group						CDL Hospitality Trusts		
	Attributable to Stapled Securityholders S\$'000	Non-controlling Interests S\$'000	Total S\$'000	Units in Issue S\$'000	Issue Expenses S\$'000	Foreign Currency Translation Reserve S\$'000	Revaluation Reserve S\$'000	Accumulated Profits/ (Losses) S\$'000	Total S\$'000	Attributable to Stapled Securityholders S\$'000	Non-controlling Interests S\$'000	Total S\$'000
<b>Balance as at 1 October 2019</b>	1,702,917	7,697	<b>1,710,614</b>	113,404	(121)	(401)	10,770	(50,723)	<b>72,929</b>	1,774,415	7,697	<b>1,782,112</b>
<b>Operations</b>												
Increase/(Decrease) in net assets resulting from operations	66,228	760	<b>66,988</b>	-	-	-	-	(5,357)	<b>(5,357)</b>	66,578	760	<b>67,338</b>
<b>Movements in revaluation reserve</b>												
- Revaluation surplus on property, plant and equipment	2,771	-	<b>2,771</b>	-	-	-	1,785	-	<b>1,785</b>	4,449	-	<b>4,449</b>
- Tax effect on revaluation of property, plant and equipment	-	-	-	-	-	-	(64)	-	<b>(64)</b>	(64)	-	<b>(64)</b>
<b>Increase in revaluation reserve</b>	<b>2,771</b>	-	<b>2,771</b>	-	-	-	<b>1,721</b>	-	<b>1,721</b>	<b>4,385</b>	-	<b>4,385</b>
<b>Movements in foreign currency translation reserve</b>												
- Translation differences relating to financial statements of foreign subsidiaries	3,439	(96)	<b>3,343</b>	-	-	3,116	-	-	<b>3,116</b>	6,589	(96)	<b>6,493</b>
- Exchange differences on hedge of net investments in foreign operations	1,947	-	<b>1,947</b>	-	-	(2,462)	-	-	<b>(2,462)</b>	(3,796)	-	<b>(3,796)</b>
- Exchange differences on monetary items forming part of net investment in foreign operations	546	-	<b>546</b>	-	-	2,899	-	-	<b>2,899</b>	3,446	-	<b>3,446</b>
<b>Increase/(decrease) in foreign currency translation reserve</b>	<b>5,932</b>	<b>(96)</b>	<b>5,836</b>	-	-	<b>3,553</b>	-	-	<b>3,553</b>	<b>6,239</b>	<b>(96)</b>	<b>6,143</b>
<b>Transactions with owners</b>												
- Stapled Securities to be issued	2,671	-	<b>2,671</b>	113	-	-	-	-	<b>113</b>	2,784	-	<b>2,784</b>
- Issue expenses	(230)	-	<b>(230)</b>	-	-	-	-	-	-	(230)	-	<b>(230)</b>
- Distribution to non-controlling interests	-	(22)	<b>(22)</b>	-	-	-	-	-	-	-	(22)	<b>(22)</b>
- Return of capital to non-controlling interests	-	(23)	<b>(23)</b>	-	-	-	-	-	-	-	(23)	<b>(23)</b>
<b>Increase/(decrease) in net assets resulting from transactions with owners</b>	<b>2,441</b>	<b>(45)</b>	<b>2,396</b>	<b>113</b>	-	-	-	-	<b>113</b>	<b>2,554</b>	<b>(45)</b>	<b>2,509</b>
<b>Balance as at 31 December 2019</b>	<b>1,780,289</b>	<b>8,316</b>	<b>1,788,605</b>	<b>113,517</b>	<b>(121)</b>	<b>3,152</b>	<b>12,491</b>	<b>(56,080)</b>	<b>72,959</b>	<b>1,854,171</b>	<b>8,316</b>	<b>1,862,487</b>

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**1 (d) Statements of Movements in Unitholders’ funds for the period from 1 January 2019 to 31 December 2019**

Footnote	H-REIT Group			HBT Group						CDL Hospitality Trusts		
	Attributable to Stapled Securityholders S\$'000	Non-controlling Interests S\$'000	Total S\$'000	Units in Issue S\$'000	Issue Expenses S\$'000	Foreign Currency Translation Reserve S\$'000	Revaluation Reserve S\$'000	Accumulated Profits/ (Losses) S\$'000	Total S\$'000	Attributable to Stapled Securityholders S\$'000	Non-controlling Interests S\$'000	Total S\$'000
	1,754,809	7,659	1,762,468	117,863	(121)	1,838	10,771	(37,498)	92,853	1,847,663	7,659	1,855,322
<b>Operations</b>												
Increase/(Decrease) in net assets resulting from operations	126,606	1,326	127,932	-	-	-	-	(15,976)	(15,976)	112,731	1,326	114,057
<b>Movements in revaluation reserve</b>												
- Revaluation surplus on property, plant and equipment	2,771	-	2,771	-	-	-	1,785	-	1,785	4,449	-	4,449
- Tax effect on revaluation of property, plant and equipment	2	-	2	-	-	-	(65)	-	(65)	(63)	-	(63)
<b>Increase in revaluation reserve</b>	2,773	-	2,773	-	-	-	1,720	-	1,720	4,386	-	4,386
<b>Movements in foreign currency translation reserve</b>												
- Translation differences relating to financial statements of foreign subsidiaries	(9,322)	(352)	(9,674)	-	-	1,167	-	-	1,167	(8,134)	(352)	(8,486)
- Exchange differences on hedge of net investments in foreign operations	366	-	366	-	-	(818)	-	-	(818)	(1,544)	-	(1,544)
- Exchange differences on monetary items forming part of net investment in foreign operations	(2,559)	-	(2,559)	-	-	965	-	-	965	(1,595)	-	(1,595)
- Exchange differences reclassified to statement of total return on cessation of business of foreign operations	78	-	78	-	-	-	-	-	-	78	-	78
<b>(Decrease)/Increase in foreign currency translation reserve</b>	(11,437)	(352)	(11,789)	-	-	1,314	-	-	1,314	(11,195)	(352)	(11,547)
<b>Transactions with owners</b>												
- Stapled Securities to be issued	10,494	-	10,494	447	-	-	-	-	447	10,941	-	10,941
- Issue expenses	(230)	-	(230)	-	-	-	-	-	-	(230)	-	(230)
- Distribution to Stapled Securityholders	(102,726)	-	(102,726)	(4,793)	-	-	-	(2,606)	(7,399)	(110,125)	-	(110,125)
- Distribution to non-controlling interests	-	(222)	(222)	-	-	-	-	-	-	-	(222)	(222)
- Return of capital to non-controlling interests	-	(95)	(95)	-	-	-	-	-	-	-	(95)	(95)
<b>Decrease in net assets resulting from transactions with owners</b>	(92,462)	(317)	(92,779)	(4,346)	-	-	-	(2,606)	(6,952)	(99,414)	(317)	(99,731)
<b>Balance as at 31 December 2019</b>	1,780,289	8,316	1,788,605	113,517	(121)	3,152	12,491	(56,080)	72,959	1,854,171	8,316	1,862,487

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
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**1 (d) Statements of Movements in Unitholders’ funds for the period from 1 October 2018 to 31 December 2018**

Footnote	H-REIT Group			HBT Group						CDL Hospitality Trusts		
	Attributable to Stapled Securityholders S\$’000	Non-controlling Interests S\$’000	Total S\$’000	Units in Issue S\$’000	Issue Expenses S\$’000	Foreign Currency Translation Reserve S\$’000	Revaluation Reserve S\$’000	Accumulated Profits/(Losses) S\$’000	Total S\$’000	Attributable to Stapled Securityholders S\$’000	Non-controlling Interests S\$’000	Total S\$’000
<b>Balance as at 1 October 2018</b>	1,704,434	5,089	<b>1,709,523</b>	117,734	(121)	5,289	6,380	(35,985)	<b>93,297</b>	1,795,509	5,089	<b>1,800,598</b>
<b>Operations</b>												
Increase/ (Decrease) in net assets resulting from operations	45,624	45	<b>45,669</b>	-	-	-	-	(1,513)	<b>(1,513)</b>	42,884	45	<b>42,929</b>
<b>Movements in revaluation reserve</b>												
- Revaluation surplus on property, plant and equipment	3,232	-	<b>3,232</b>	-	-	-	5,256	-	<b>5,256</b>	8,594	-	<b>8,594</b>
- Tax effect on revaluation of property, plant and equipment	(714)	-	<b>(714)</b>	-	-	-	(865)	-	<b>(865)</b>	(1,579)	-	<b>(1,579)</b>
<b>Increase in revaluation reserve</b>	<b>2,518</b>	<b>-</b>	<b>2,518</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,391</b>	<b>-</b>	<b>4,391</b>	<b>7,015</b>	<b>-</b>	<b>7,015</b>
<b>Movements in foreign currency translation reserve</b>												
- Translation differences relating to financial statements of foreign subsidiaries	2,828	(136)	<b>2,692</b>	-	-	(3,010)	-	-	<b>(3,010)</b>	(139)	(136)	<b>(275)</b>
- Exchange differences on hedge of net investments in foreign operations	(1,127)	-	<b>(1,127)</b>	-	-	2,474	-	-	<b>2,474</b>	4,648	-	<b>4,648</b>
- Exchange differences on monetary items forming part of net investment in foreign operations	(2,131)	-	<b>(2,131)</b>	-	-	(2,915)	-	-	<b>(2,915)</b>	(5,046)	-	<b>(5,046)</b>
<b>Decrease in foreign currency translation reserve</b>	<b>(430)</b>	<b>(136)</b>	<b>(566)</b>	<b>-</b>	<b>-</b>	<b>(3,451)</b>	<b>-</b>	<b>-</b>	<b>(3,451)</b>	<b>(537)</b>	<b>(136)</b>	<b>(673)</b>
<b>Transactions with owners</b>												
<u>Contributions by and distributions to owners</u>												
- Stapled Securities to be issued (a)	2,663	-	<b>2,663</b>	129	-	-	-	-	<b>129</b>	2,792	-	<b>2,792</b>
- Distribution to non-controlling interests (c)	-	(68)	<b>(68)</b>	-	-	-	-	-	<b>-</b>	-	(68)	<b>(68)</b>
- Return of capital to non-controlling interests	-	(24)	<b>(24)</b>	-	-	-	-	-	<b>-</b>	-	(24)	<b>(24)</b>
- Capital contribution from non-controlling interests	-	487	<b>487</b>	-	-	-	-	-	<b>-</b>	-	487	<b>487</b>
Total contributions by and distributions to owners	2,663	395	<b>3,058</b>	129	-	-	-	-	<b>129</b>	2,792	395	<b>3,187</b>
<u>Ownership interests in subsidiaries</u>												
- Acquisition of subsidiary with non-controlling interest	-	2,266	<b>2,266</b>	-	-	-	-	-	<b>-</b>	-	2,266	<b>2,266</b>
Changes in ownership interests in subsidiaries	-	2,266	<b>2,266</b>	-	-	-	-	-	<b>-</b>	-	2,266	<b>2,266</b>
<b>Increase in net assets resulting from transactions with owners</b>	<b>2,663</b>	<b>2,661</b>	<b>5,324</b>	<b>129</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129</b>	<b>2,792</b>	<b>2,661</b>	<b>5,453</b>
<b>Balance as at 31 December 2018</b>	<b>1,754,809</b>	<b>7,659</b>	<b>1,762,468</b>	<b>117,863</b>	<b>(121)</b>	<b>1,838</b>	<b>10,771</b>	<b>(37,498)</b>	<b>92,853</b>	<b>1,847,663</b>	<b>7,659</b>	<b>1,855,322</b>

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
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**1 (d) Statements of Movements in Unitholders’ funds for the period from 1 January 2018 to 31 December 2018**

Footnote	H-REIT Group			HBT Group					CDL Hospitality Trusts			
	Attributable to Stapled Securityholders S\$'000	Non-controlling Interests S\$'000	Total S\$'000	Units in Issue S\$'000	Issue Expenses S\$'000	Foreign Currency Translation Reserve S\$'000	Revaluation Reserve S\$'000	Accumulated Profits/ (Losses) S\$'000	Total S\$'000	Attributable to Stapled Securityholders S\$'000	Non-controlling Interests S\$'000	Total S\$'000
	1,733,892	4,990	1,738,882	117,971	(121)	5,304	6,986	(23,760)	106,380	1,840,273	4,990	1,845,263
<b>Operations</b>												
Increase/ (Decrease) in net assets resulting from operations	120,919	217	121,136	-	-	-	-	(7,193)	(7,193)	110,320	217	110,537
<b>Movements in revaluation reserve</b>												
- Revaluation surplus on property, plant and equipment	3,232	-	3,232	-	-	-	5,256	-	5,256	8,594	-	8,594
- Tax effect on revaluation of property, plant and equipment	(665)	-	(665)	-	-	-	(1,471)	-	(1,471)	(2,136)	-	(2,136)
<b>Increase in revaluation reserve</b>	2,567	-	2,567	-	-	-	3,785	-	3,785	6,458	-	6,458
<b>Movements in foreign currency translation reserve</b>												
- Translation differences relating to financial statements of foreign subsidiaries	(5,518)	(18)	(5,536)	-	-	(3,026)	-	-	(3,026)	(8,544)	(18)	(8,562)
- Exchange differences on hedge of net investments in foreign operations	(2,796)	-	(2,796)	-	-	2,475	-	-	2,475	2,979	-	2,979
- Exchange differences on monetary items forming part of net investment in foreign operations	(6,196)	-	(6,196)	-	-	(2,915)	-	-	(2,915)	(9,111)	-	(9,111)
- Exchange differences reclassified to statement of total return on cessation of business of foreign operations	8,024	-	8,024	-	-	-	-	-	-	8,024	-	8,024
<b>Decrease in foreign currency translation reserve</b>	(6,486)	(18)	(6,504)	-	-	(3,466)	-	-	(3,466)	(6,652)	(18)	(6,670)
<b>Transactions with owners</b>												
<u>Contributions by and distributions to owners</u>												
- Stapled Securities to be issued (a)	10,300	-	10,300	330	-	-	-	-	330	10,630	-	10,630
- Issue expenses	(30)	-	(30)	-	-	-	-	-	-	(30)	-	(30)
- Distribution to Stapled Securityholders (d)	(106,353)	-	(106,353)	(438)	-	-	-	(6,545)	(6,983)	(113,336)	-	(113,336)
- Distribution to non-controlling interests (c)	-	(261)	(261)	-	-	-	-	-	-	-	(261)	(261)
- Return of capital to non-controlling interests	-	(50)	(50)	-	-	-	-	-	-	-	(50)	(50)
- Capital contribution from non-controlling interests	-	487	487	-	-	-	-	-	-	-	487	487
Total contributions by and distributions to owners	(96,083)	176	(95,907)	(108)	-	-	-	(6,545)	(6,653)	(102,736)	176	(102,560)
<u>Ownership interests in subsidiaries</u>												
- Acquisition of subsidiary with non-controlling interest	-	2,294	2,294	-	-	-	-	-	-	-	2,294	2,294
Changes in ownership interests in subsidiaries	-	2,294	2,294	-	-	-	-	-	-	-	2,294	2,294
<b>(Decrease)/Increase in net assets resulting from transactions with owners</b>	(96,083)	2,470	(93,613)	(108)	-	-	-	(6,545)	(6,653)	(102,736)	2,470	(100,266)
<b>Balance as at 31 December 2018</b>	1,754,809	7,659	1,762,468	117,863	(121)	1,838	10,771	(37,498)	92,853	1,847,663	7,659	1,855,322



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**Footnotes**

- (a) *These represent the Stapled Securities to be issued as partial satisfaction of the portion of the management fee (comprising base fee and performance fee) incurred for the respective quarters. The Stapled Securities for H-REIT Manager and HBT Trustee-manager’s base fee will be issued within 30 days from the end of the quarter while the Stapled Securities for H-REIT Manager and HBT Trustee-manager’s performance fee will be issued on an annual basis, within 30 days from the date of the issuance of the audited financial statements of the Group.*
- (b) *Distribution to Stapled Securityholders in respect of the period from 1 July 2018 to 31 December 2018 and 1 January 2019 to 30 June 2019, which includes a capital distribution of S\$7,634,000 in 4Q 2019 and S\$16,682,000 in FY 2019.*
- (c) *This relates to non-controlling minority shareholders which has an effective interest of 5.1% in Pullman Munich and 5% in Hotel Cerretani Firenze (acquired on 27 November 2018).*
- (d) *Distribution to Stapled Securityholders in respect of the period from 1 July 2017 to 31 December 2017 and 1 January 2018 to 30 June 2018, which includes a capital distribution of S\$7,454,000 in FY 2018.*

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**1 (e) Details of any changes in the stapled securities**

		CDL Hospitality Trusts	
Foot-note		4Q 2019	4Q 2018
	Issued stapled securities at beginning of the period	1,211,680,683	1,204,558,718
	Issue of new stapled securities:		
	- as payment of H-REIT Manager’s and HBT Trustee-Manager’s management fees	903,030	906,661
	Issued stapled securities at end of the period	1,212,583,713	1,205,465,379
	Stapled securities to be issued:		
	- as payment of H-REIT Manager’s and HBT Trustee-Manager’s management fees	(a) 4,048,309	4,422,791
	Total issued and issuable stapled securities at end of the period	1,216,632,022	1,209,888,170

		CDL Hospitality Trusts	
Foot-note		FY 2019	FY 2018
	Issued stapled securities at beginning of the period	1,205,465,379	1,198,822,685
	Issue of new stapled securities:		
	- as payment of H-REIT Manager’s and HBT Trustee-Manager’s management fees	7,118,334	6,642,694
	Issued stapled securities at end of the period	1,212,583,713	1,205,465,379
	Stapled securities to be issued:		
	- as payment of H-REIT Manager’s and HBT Trustee-Manager’s management fees	(a) 4,048,309	4,422,791
	Total issued and issuable stapled securities at end of the period	1,216,632,022	1,209,888,170

**Footnotes**

(a) *These represent the Stapled Securities to be issued as partial satisfaction of the management fee incurred for the respective quarters. Included in the balance to be issued for performance fee is an estimated 3.2 million (FY 2018: 2.4 million) Stapled Securities, which will be issued on an annual basis, within 30 days from the date of the issuance of the audited financial statements of the Group.*

**2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice**

The figures have not been audited but have been extracted from the financial information for the year ended 31 December 2019 which has been reviewed by our auditors in accordance with Singapore Standard on Review Engagements SSRE 2410 “Review of Interim Financial Information Prepared by the Independent Auditor of the Entity”.

**3 Where the figures have been audited or reviewed, the auditor’s report (including any qualifications or emphasis of matter)**

Please see the attached review report.

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**4 Whether the same accounting principles and methods of computation as in the issuer’s most recent audited financial statements have been applied**

The accounting policies and methods of computation adopted are consistent with those applied in the audited financial statements for the year ended 31 December 2018, except as disclosed in Section 5 below.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

On 1 January 2019, H-REIT Group, HBT Group and CDLHT (collectively, the “Group”) adopted FRS 116 / SFRS(I) 16 *Leases*, a new accounting standard that became effective for annual periods beginning on or after 1 January 2019.

Under FRS 116 / SFRS(I) 16, a single, on-balance sheet lease accounting model for lessees is applied. A lessee recognises a ROU” asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Remaining lease payments under the operating leases will be recognised at their present value discounted using an appropriate discount rate and the nature of expenses will now change as FRS 116 / SFRS(I) 16 replaces the straight-line operating lease expense with depreciation charge of ROU assets (where relevant) and interest expense on lease liabilities.

As a lessee, the Group has adopted FRS 116 / SFRS(I) 16 using the modified retrospective approach. Therefore, the cumulative effect of adopting FRS 116 / SFRS(I) 16 has been recognised as an adjustment to the opening balance of unitholders’ funds as at 1 January 2019, with no restatement of comparative information. The Group has applied the practical expedient to grandfather the definition of a lease on transition and the practical expedient to recognise ROU assets equal to their lease liabilities as at 1 January 2019.

As intermediate lessor, the intermediate lessor enters into a head lease and a sublease of the same underlying asset. Under FRS 116 / SFRS(I) 16, the intermediate lessor classifies the sublease as a finance lease when the sub-lease term is for the major part of the economic life of the underlying asset. The intermediate lessor shall derecognise its ROU asset relating to the head lease it transfers to the sublessee and recognises a finance lease receivable. During the term of the sublease, the intermediate lessor recognises both interest income on the sublease and interest expense on the head lease.

The effects of this change in accounting policy are set out below:

H-REIT Group

ROU assets (recognised under investment properties) of S\$19.9 million, finance lease receivable of S\$6.5 million and lease liabilities of S\$26.4 million, respectively, have been recognised in the Statement of Financial Position as at 1 January 2019. Interest income of S\$0.2 million and interest expense of S\$1.3 million have been recognised in the Statement of Total Return for the year ended 31 December 2019.

HBT Group

ROU assets (recognised under property, plant and equipment) and corresponding lease liabilities of S\$52.1 million have been recognised in the Statement of Financial Position as at 1 January 2019. Additional S\$5.8 million ROU assets and lease liabilities was recognised following the extension of car park lease agreement for Lowry Hotel during the year. Depreciation of ROU assets and interest expense of S\$3.0 million and S\$2.5 million, respectively, have been recognised in the Statement of Comprehensive Income for the year ended 31 December 2019.

CDLHT

ROU assets (recognised under investment properties) of S\$10.8 million, ROU assets (recognised under property, plant and equipment) of S\$17.8 million, finance lease receivable of S\$6.5 million and lease liabilities of S\$35.1 million, have been recognised in the Statement of Financial Position as at 1 January 2019. Additional S\$5.8 million ROU assets and lease liabilities was recognised following the extension of car park lease agreement for Lowry Hotel during the year. In addition, prepaid land lease with a carrying amount of S\$6.8 million as at 1 January 2019 has been reclassified to property, plant and equipment. Interest income of S\$0.2 million, depreciation of ROU assets of S\$0.7 million and interest expense of S\$1.8 million have been recognised in the Statement of Total Return for the year ended 31 December 2019.

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**6 Earnings per Stapled Security (“EPS”) and Income Available for Distribution per Stapled Security (“DPS”) for the financial period**

	CDL Hospitality Trusts		CDL Hospitality Trusts	
	4Q 2019	4Q 2018	FY 2019	FY 2018
<b><u>EPS</u></b>				
<b><u>Basic EPS</u></b>				
Weighted average number of Stapled Securities	1,212,627,715	1,205,513,450	1,211,259,519	1,204,199,279
Basic EPS <sup>(a)</sup> (cents)	5.49	3.56	9.31	9.16
<b><u>Diluted EPS</u></b>				
Weighted average number of Stapled Securities	1,216,632,022	1,209,888,163	1,216,632,022	1,209,888,170
Diluted EPS <sup>(b)</sup> (cents)	5.47	3.54	9.27	9.12

	CDL Hospitality Trusts		CDL Hospitality Trusts	
	4Q 2019	4Q 2018	FY 2019	FY 2018
<b><u>DPS</u></b>				
Number of Stapled Securities entitled to distribution	1,213,475,493	1,206,437,202	1,213,475,493	1,206,437,202
DPS for the period based on the total number of Stapled Securities entitled to the distribution (cents)				
- Taxable income	1.73	1.65	5.99	6.15
- Tax exempt income	0.18	0.52	1.35	2.03
- Capital distribution	0.86	0.60	1.68	1.08
	2.77	2.77	9.02	9.26

**Footnotes**

- (a) *Basic EPS has been calculated using total return for the period and the weighted average number of Stapled Securities issued and issuable during the period.*
- (b) *Diluted EPS has been calculated using the weighted average number of Stapled Securities issued and issuable during the period and taking into consideration the number of Stapled Securities to be issued as payment for performance fee.*

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**7 Net asset value (“NAV”)/net tangible asset (“NTA”) per stapled security based on issued and issuable stapled securities at the end of the period**

	CDL Hospitality Trusts	
	31 Dec 2019	31 Dec 2018
Net asset value/net tangible asset attributable to unitholders(S\$'000)	1,854,171	1,847,663
Number of Stapled Securities issued and to be issued at end of the period	1,216,632,022	1,209,888,170
Net asset value/net tangible asset per Stapled Security (S\$)	1.5240	1.5271

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8 Review of the performance for the fourth quarter and year ended 31 December 2019

8 (i) Breakdown of Total Revenue by Geography

Footnote	H-REIT Group			HBT Group			CDL Hospitality Trusts		
	4Q 2019 S\$'000	4Q 2018 S\$'000	Increase/ (Decrease) %	4Q 2019 S\$'000	4Q 2018 S\$'000	Increase/ (Decrease) %	4Q 2019 S\$'000	4Q 2018 S\$'000	Increase/ (Decrease) %
<b>Master leases</b>									
<i>Singapore</i>									
- Hotels	24,612	23,411	5.1	-	-	-	24,612	23,411	5.1
- Claymore Connect	1,797	2,011	(10.6)	-	-	-	1,797	2,011	(10.6)
<i>Maldives</i>	1,194	2,060	(42.0)	-	-	-	1,194	2,060	(42.0)
<i>Australia</i>	2,249	2,368	(5.0)	-	-	-	2,249	2,368	(5.0)
<i>New Zealand</i>	4,699	4,846	(3.0)	-	-	-	4,699	4,846	(3.0)
<i>Germany</i>	2,321	2,913	(20.3)	-	-	-	2,321	2,913	(20.3)
<i>Italy</i>	492	207	N.M	-	-	-	492	207	N.M
	37,364	37,816	(1.2)	-	-	-	37,364	37,816	(1.2)
<b>Managed hotels</b>									
<i>Maldives</i>	1,021	1,031	(1.0)	2,691	38	N.M	2,691	38	N.M
<i>Japan</i>	1,126	1,369	(17.8)	2,390	2,586	(7.6)	2,390	2,586	(7.6)
<i>United Kingdom</i>	-	-	-	11,531	11,841	(2.6)	11,531	11,841	(2.6)
	2,147	2,400	(10.5)	16,612	14,465	14.8	16,612	14,465	14.8
<b>Total</b>	39,511	40,216	(1.8)	16,612	14,465	14.8	53,976	52,281	3.2

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**8 (i) Breakdown of Total Revenue by Geography**

Footnote	H-REIT Group			HBT Group			CDL Hospitality Trusts		
	FY 2019	FY 2018	Increase/ (Decrease)	FY 2019	FY 2018	Increase/ (Decrease)	FY 2019	FY 2018	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Master leases</b>									
<i>Singapore</i>									
	-	-	-	-	-	-	-	-	-
	88,298	88,706	(0.5)	-	-	-	88,298	88,706	(0.5)
	7,506	7,560	(0.7)	-	-	-	7,506	7,560	(0.7)
(a)	6,660	8,089	(17.7)	-	-	-	6,660	8,089	(17.7)
	9,139	9,832	(7.0)	-	-	-	9,139	9,832	(7.0)
	16,320	17,831	(8.5)	-	-	-	16,320	17,831	(8.5)
(b)	11,092	10,908	1.7	-	-	-	11,092	10,908	1.7
(c)	3,000	207	N.M	-	-	-	3,000	207	N.M
	142,015	143,133	(0.8)	-	-	-	142,015	143,133	(0.8)
<b>Managed hotels</b>									
(a)	4,096	4,045	1.3	3,070	4,724	(35.0)	3,070	4,724	(35.0)
(d)	4,037	5,114	(21.1)	9,411	9,708	(3.1)	9,411	9,708	(3.1)
(e)	-	-	-	42,376	44,238	(4.2)	42,376	44,238	(4.2)
	8,133	9,159	(11.2)	54,857	58,670	(6.5)	54,857	58,670	(6.5)
<b>Total</b>	150,148	152,292	(1.4)	54,857	58,670	(6.5)	196,872	201,803	(2.4)

With effect from 1 January 2019, CDLHT adopted FRS 116/SFRS(I) 16 Leases (see Section 5 on page 25 of the Announcement).

Under H-REIT, the sub-lease of Waterfront Conference Centre was classified as a finance lease receivable to match the head lease of this property with CDL which was capitalised under FRS 116/SFRS(I) 16 as described above. As a result of this change, CDLHT's revenue from the Singapore Hotels declined by S\$0.2 million and S\$0.9 million for 4Q 2019 and FY 2019 respectively. On a like-for-like basis (as if FRS 116/SFRS(I) 16 were not in place), the revenue from the Singapore Hotels would have been S\$24.8 million and S\$89.2 million for 4Q 2019 and FY 2019 respectively.

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**8 (ii) Breakdown of Net Property Income by Geography**

Footnote	H-REIT Group			HBT Group			CDL Hospitality Trusts		
	4Q 2019	4Q 2018	Increase/ (Decrease)	4Q 2019	4Q 2018	Increase/ (Decrease)	4Q 2019	4Q 2018	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<i>Singapore</i>									
- <i>Hotels</i>	23,354	22,123	5.6	-	-	-	23,354	22,123	5.6
- <i>Claymore Connect</i>	1,212	1,404	(13.7)	-	-	-	1,212	1,404	(13.7)
<i>Maldives</i> (a)	1,988	2,566	(22.5)	(1,243)	(2,308)	46.1	(277)	258	N.M
<i>Australia</i>	2,249	2,368	(5.0)	-	-	-	2,249	2,368	(5.0)
<i>New Zealand</i>	4,699	4,846	(3.0)	-	-	-	4,699	4,846	(3.0)
<i>Germany</i> (b)	1,861	2,703	(31.2)	-	-	-	1,861	2,703	(31.2)
<i>Italy</i> (c)	490	118	N.M	-	-	-	490	118	N.M
<i>Japan</i> (d)	1,041	1,290	(19.3)	28	3	N.M	1,069	1,293	(17.3)
<i>United Kingdom</i> (e)	-	-	-	3,310	3,299	0.3	3,310	3,299	0.3
<b>Total</b>	<b>36,894</b>	<b>37,418</b>	<b>(1.4)</b>	<b>2,095</b>	<b>994</b>	<b>N.M</b>	<b>37,967</b>	<b>38,412</b>	<b>(1.2)</b>



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**8 (ii) Breakdown of Net Property Income by Geography**

Footnote	H-REIT Group			HBT Group			CDL Hospitality Trusts		
	FY 2019	FY 2018	Increase/ (Decrease)	FY 2019	FY 2018	Increase/ (Decrease)	FY 2019	FY 2018	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<i>Singapore</i>									
- Hotels	82,860	82,121	0.9	-	-	-	82,860	82,121	0.9
- Claymore Connect	5,020	5,324	(5.7)	-	-	-	5,020	5,324	(5.7)
Maldives (a)	9,925	10,061	(1.4)	(7,141)	(6,636)	(7.6)	(1,312)	3,425	N.M
Australia	9,139	9,832	(7.0)	-	-	-	9,139	9,832	(7.0)
New Zealand	16,320	17,831	(8.5)	-	-	-	16,320	17,831	(8.5)
Germany (b)	9,862	9,747	1.2	-	-	-	9,862	9,747	1.2
Italy (c)	2,818	118	N.M	-	-	-	2,818	118	N.M
Japan (d)	3,698	4,796	(22.9)	94	56	67.9	3,792	4,852	(21.8)
United Kingdom (e)	-	-	-	12,663	12,804	(1.1)	12,663	12,804	(1.1)
<b>Total</b>	<b>139,642</b>	<b>139,830</b>	<b>(0.1)</b>	<b>5,616</b>	<b>6,224</b>	<b>(9.8)</b>	<b>141,162</b>	<b>146,054</b>	<b>(3.3)</b>

With effect from 1 January 2019, CDLHT adopted FRS 116/SFRS(I) 16 *Leases* (see Section 5 on page 25 of the Announcement). This change required existing lease expenses for operating lease arrangements (previously included in NPI) to be replaced by depreciation charge on ROU assets related to property, plant and equipment and/or interest expenses on lease liabilities.

As a result of this change, CDLHT's NPI for 4Q 2019 has increased by S\$0.4 million as lease expenses of S\$0.3 million and S\$0.1 million for Maldives and UK respectively have now been replaced by a depreciation charge on ROU assets on property, plant and equipment and interest expense on lease liabilities. On a like-for-like basis (as if FRS 116/SFRS(I) 16 were not in place), the NPI for 4Q 2019 would have been S\$(0.6) million and S\$3.2 million for Maldives and UK respectively.

Correspondingly, CDLHT's NPI for FY 2019 has increased by S\$1.0 million as lease expenses of S\$1.4 million and S\$0.6 million for Maldives and UK respectively have now been replaced by a depreciation charge on ROU assets on property, plant and equipment and interest expense on lease liabilities. On a like-for-like basis (as if FRS 116/SFRS(I) 16 were not in place), the NPI for FY 2019 would have been S\$(2.7) million and S\$12.1 million for Maldives and UK respectively.

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**Footnotes**

(a) *The Maldives resorts includes a Master Lease and Managed hotel as follows:*

(i) Master Lease

*There is a master lease agreement between H-REIT’s indirect wholly-owned subsidiary, Sanctuary Sands Maldives Private Limited (the “Lessor”) and Maldives Bay Pvt Ltd (the “Lessee”), a subsidiary of Banyan Tree Holdings Limited. The revenue for the reporting period comprises a minimum rent of US\$500,000 per month (based on a current minimum rent of US\$6.0 million per annum).*

*There is a minimum rent top-up cap of US\$6.0 million and there shall be no further minimum rent top-ups payable by Lessee to Lessor after the cumulative top-ups reach US\$6.0 million. In 4Q 2019 and FY 2019, the Lessee paid the Lessor a top-up amount of nil and US\$0.9 million (4Q 2018/FY 2018: US\$0.2 million and US\$2.4 million). For the reporting period, gross revenue declined as the cumulative minimum rent top-up has reached its limit. The Lessee fully paid the Lessor a cumulative top-up amount of US\$6.0 million and no further top-ups are available going forward. A final adjustment of this cumulative top-up will be made once the full year results for the resort are ascertained at year end.*

(ii) Managed hotel

*There is a lease agreement between H-REIT and HBT’s indirect wholly-owned subsidiaries.*

*In turn, HBT’s indirect wholly owned subsidiary, CDL HBT Oceanic Maldives Private Limited (“CDL HBT Oceanic”) engaged AccorHotels (previously managed by Jumeirah Management Services (Maldives) Private Limited) to operate the resort. The resort initially operated as Dhevanafushi Maldives Luxury Resort, Managed by AccorHotels, and following enhancements during its closure since 1 June 2018, has been rebranded as Raffles Maldives Meradhoo in May 2019 to join the iconic collection of Raffles Hotels and Resorts.*

*For the H-REIT Group, the revenue for 4Q 2019 and FY 2019 includes S\$1.0 million (US\$0.7 million) and S\$4.1 million (US\$3.0 million) rental income from HBT Group respectively. For the HBT Group, the revenue for the reporting period comprises the entire revenue derived from the operations of the resort. The net property loss of S\$1.4 million and S\$7.7 million for 4Q 2019 and FY 2019 arose mainly due to higher sales & marketing and other expenses related to the opening of the resort in September 2019.*

(b) *H-REIT’s indirect wholly-owned subsidiary owns an effective interest of 94.5% in Pullman Hotel Munich, which comprises the hotel and its office and retail components. There is a hotel lease agreement between H-REIT’s indirect subsidiary, NKS Hospitality I B.V. (the “Lessor”) and UP Hotel Operations GmbH & Co. KG (the “Lessee”). Under this lease, H-REIT will receive rent of around 90% of the net operating profit of the hotel, subject to a guaranteed fixed rent of €3.6 million per annum.*

(c) *H-REIT’s indirect wholly-owned subsidiary owns an interest of 95.0% in Hotel Cerretani Firenze. There is a hotel lease agreement between H-REIT’s indirect subsidiary, NKS Hospitality III SRL (the “Lessor”) and FC Operations Hotel SRL (the “Lessee”). Under this lease, H-REIT will receive rent of around 93% of the net operating profit of the hotel, subject to a guaranteed fixed rent of €1.3 million per annum.*

(d) *The Japan Hotels with HBT refers to master lease arrangement between a trust bank in Japan (in its capacity as the trust bank holding the legal title to the Japan Hotels) and CDLHT.*

*For H-REIT Group, the revenue for 4Q 2019 and FY 2019 includes S\$1.1 million (JPY90.1 million) and S\$4.0 million (JPY323.0 million) net rental income received from HBT Group (based on the gross operating profit of the Japan Hotels). The income from Japan Hotels of S\$0.6 million (JPY35.0 million), after deducting operating expenses, was included in the income available for distribution in 4Q 2019 as the financial results for the fiscal period ended 30 September 2019 has been audited and the income was ascertained. The fiscal period for the Japan Hotels is set at 6-month intervals, from 1 October to 31 March and 1 April to 31 September. This will allow the income from the Japan Hotels to be distributed twice a year, subject to completion of the audit for the relevant period.*

(e) *The UK Hotels includes:*

(i) Hilton Cambridge City Centre

*Hilton Cambridge City Centre is owned by HBT’s indirectly wholly-owned subsidiary, CDL HBT Cambridge City Hotel (UK) Ltd. The hotel operator for this hotel is Hilton UK Manage Limited.*

*The revenue for the reporting period comprises the entire revenue derived from the hotel operations. The net property income is derived after deducting the operating expenses, property tax and insurance expenses of the hotel.*

(ii) The Lowry Hotel

*The Lowry Hotel is owned and operated by HBT’s indirectly wholly-owned subsidiary, The Lowry Hotel Ltd.*

*The revenue for the reporting period comprises the entire revenue derived from the hotel operations. The net property income is derived after deducting the operating expenses, property tax and insurance expenses of the hotel.*

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**8 (iii) Review of the Performance**

**Fourth Quarter ended 31 December 2019**

CDLHT posted gross revenue of S\$54.0 million in 4Q 2019, an increase of S\$1.7 million or 3.2% against the same period last year. A full quarter’s contribution from the rebranded Raffles Maldives Meradhoo resort (S\$2.6 million) and the Italy Hotel (S\$0.3 million) (acquired 27 November 2018) as well as higher contribution from the Singapore Hotels (S\$1.2 million) boosted the total portfolio income. However, the revenue growth was offset by lower contribution from the rest of the group’s properties, which posted a collective year-on-year (“yoy”) decline of S\$2.4 million. A substantial portion of the collective decline was due to the expected reduced income from Pullman Hotel Munich, stemming from the cyclicity in the city’s events calendar.

The Singapore Hotels achieved an occupancy of 87.2%, with a positive yoy RevPAR growth of 5.1%, the strongest quarterly yoy RevPAR growth since 2012. Healthy visitor arrivals and citywide demand compression amidst the presence of strong convention business in 4Q 2019 provided a boost to the Singapore Hotel’s results. The robust increase was achieved despite ongoing room renovations in Copthorne King’s Hotel, which commenced in October 2019.

For the reporting quarter, Angsana Velavaru posted a RevPAR decline of 18.6% yoy, primarily due to the disruption caused by the asset enhancement works to the beach villas and the completion of the main public pool. The resort also faced increased competition from supply growth. Raffles Maldives Meradhoo recorded its first full trading quarter since the official opening on 22 September 2019. In the same quarter last year, the resort was fully closed for renovation works. Extensive sales and marketing activities paid off in December 2019 with the resort welcoming its first five-night resort buy-out which contributed significantly to revenue. The resort is still going through a gestation period with many travel partners visiting the resort first before actively promoting the refurbished resort.

The Australia Hotels continues to receive fixed rent for 4Q 2019 but overall gross revenue contribution to CDLHT (in SGD terms) was lower due to a weaker AUD.

The New Zealand Hotel posted a yoy marginal growth of 0.5% in RevPAR in 4Q 2019. Business was healthy in the high season aided by a stronger concerts calendar during the reporting quarter. However, the hotel’s contribution to the group (in SGD terms) was negatively impacted by the weaker NZD against SGD.

In 4Q 2019, the Japan Hotels posted a RevPAR decline of 14.4% yoy, as a result of a softer citywide events and concerts calendar, as well as a surge in new supply from the limited service hotel category and recovering number of alternative accommodation listings such as Airbnb. In the same period last year, there were three major concerts by international artists as well as a major biennial fair. The South Korea-Japan trade tension also had a significant adverse effect on the South Korean visitation to Japan, which recorded a sharp decline of 64.7% yoy in 4Q 2019.

Collectively, the UK Hotels posted a RevPAR decline of 3.7% yoy. At The Lowry Hotel, RevPAR was impacted by fewer sporting events and a softer entertainment calendar. At Hilton Cambridge City Centre, the hotel experienced a marginal decline amidst a competitive trading environment.

In Germany, the absence of a major congress and trade fair in October and November 2019 respectively due to the cyclical nature of Munich’s fair calendar led to a yoy RevPAR contraction of 10.2% yoy at Pullman Hotel Munich. Correspondingly, this had a substantial negative effect on the hotel’s overall performance but was fully anticipated. The performance will normalise on a full year basis.

The Italy Hotel saw a marginal RevPAR increase of 2.6% yoy, largely driven by a growth in average room rate.

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In aggregate, CDLHT recorded NPI<sup>1</sup> of S\$ 38.0 million in 4Q 2019, a nominal decline of 1.2% or S\$0.4 million against the same period last year.

Interest costs for the reporting quarter remained flat compared to the same period last year.

CDLHT revalued its properties as at 31 December 2019 and recorded an overall net fair value gain of S\$49.0 million. The fair value gain (in SGD terms) arose from its Singapore, Japan and Germany properties and was offset mainly by fair value losses from its Maldives and New Zealand properties. These revaluation gains/losses do not have any impact on the unitholders distribution.

Total distribution (after deducting income retained for working capital) in 4Q 2019 was S\$33.6 million, 0.6% higher than the same period last year. Included therein is a capital distribution of S\$10.5 million from the Group’s properties, out of which a portion relates to the partial distribution of proceeds from the Group’s disposal of its Mercure and Ibis Brisbane properties previously.

The distribution per Stapled Security (“DPS”) (after deducting income retained for working capital) for 4Q 2019 remained stable yoy at 2.77 cents.

Statistics on the weighted average occupancy rate, daily rate and RevPAR for the Singapore Hotels are set out below:

	4Q 2019	4Q 2018	Increase/(Decline)
Average Occupancy Rate	87.2%	85.8%	1.4pp
Average Daily Rate	S\$192	S\$186	3.3%
RevPAR	S\$168	S\$160	5.1%

**Twelve months ended 31 December 2019**

CDLHT posted gross revenue of S\$196.9 million in FY 2019, 2.4% lower than FY 2018. Although there was recognition of a full year’s revenue boost of S\$2.8 million from the Italy Hotel and higher yoy contribution from Pullman Hotel Munich (S\$0.2 million), this was offset by reduced contribution of S\$7.9 million year-on-year (“yoy”) from the rest of the other properties. Major asset enhancement works at Raffles Maldives Meradhoo, Orchard Hotel and Angsana Velavaru affected the group’s portfolio performance. Raffles Maldives Meradhoo closed in June 2018 for rebranding works and only re-opened in end September 2019 while Orchard Hotel carried out extensive renovation works on its rooms and all events space in first half of 2019. Angsana Velavaru also carried out progressive renovation works with the addition of a new main public pool and 79 land villas (out of which 43 villas were completed in 2019) being renovated in phases.

The Singapore Hotels turned in a positive yoy RevPAR growth of 1.6% in FY 2019. This was supported by a stronger leisure market with potentially some degree of diversion of tourism flows to Singapore as a result of the unrest in Hong Kong. This increase was achieved despite the progressive renovation works undertaken on some of the Singapore Hotels during the year. The Singapore market experienced softness in the first half amidst a very competitive environment but showed some strength in the second half. In 1H 2019, regional elections, coupled with the absence of the biennial Singapore Airshow, ASEAN Ministerial Meeting series and Food&Hotel Asia collectively resulted in a softer market. This was mitigated by a stronger convention events calendar coupled with stronger leisure travel which uplifted the overall performance of the hotels in 2H 2019. RevPAR growth for 2H 2019 was 5.0%, the strongest half-year yoy growth since 2012.

<sup>1</sup> CDLHT’s net property income (“NPI”) is derived after deducting the operating expenses of Raffles Maldives Meradhoo, the Japan Hotels, the UK Hotels, as well as property tax and insurance expenses of the portfolio.

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Although there was an increase of 14.7% in tourist arrivals to the Maldives for 2019<sup>2</sup>, this was more than offset by the 16.8%<sup>3</sup> increase in supply. As such, trading conditions continue to remain challenging with new resorts offering promotional packages. As expected, Raffles Maldives Meradhoo is going through a gestation period following its opening in September 2019 as the resort ramps up and re-enters the market amidst an influx of luxury supply. As for Angsana Velavaru, the resort embarked on enhancement works to improve its product offering and positioning, but the attendant renovation works from May to December negatively impacted the performance due to disruptions caused during the renovation period. Notwithstanding this, Angsana Velavaru managed a slight yoy RevPAR growth of 0.6% for FY 2019.

The Australia hotels continue to receive fixed rent, but the overall gross rental contribution (in SGD terms) was lower due to the weaker AUD.

For the New Zealand Hotel, new supply and weaker Chinese visitor arrivals during the year affected the performance of the hotel, with RevPAR for FY 2019 declining by 3.3% yoy. As similar manning levels were required to cope with the volume-centric strategy deployed for revenue optimisation, a rising minimum wage environment also impacted the hotel's performance. In addition, contribution (in SGD terms) was also affected by the weaker NZD against SGD.

The Group's Japan Hotels in Tokyo had a good start to the year and recorded RevPAR growth of 3.0% yoy for 1H 2019. This was however reversed in the latter half of the year, as the trade conflict with South Korea severely affected South Korean arrivals and far outweighed the positive impact of the 2019 Rugby World Cup. Increased supply and recovering number of alternative accommodation such as Airbnb continued to weigh on the market as well. Consequently, the Japan Hotels saw a FY 2019 RevPAR decline of 6.5% yoy.

In the UK, uncertainty surrounding Brexit affected the whole of 2019 and continued into the new year with the extension of deadline to 31 January 2020. An overall lighter sporting and events calendar, coupled with downtime associated with the refurbishment of its restaurant and bar, resulted in a revenue decline for The Lowry Hotel. Hilton Cambridge City Centre was also affected by continued price competition from new supply that opened in 2018. Consequently, RevPAR for the UK Hotels declined slightly by 1.4% with its contribution further diminished by the weaker GBP against SGD.

In Munich, the fair calendar in 2019 featured two large events but had less overall event days during the year as compared to 2018. Accordingly, Pullman Hotel Munich reported a growth of 1.2% yoy in RevPAR, which was also supported by the increase in total arrivals into Munich which grew 5.6% yoy to 8.0 million for YTD November 2019<sup>4</sup>.

Hotel Cerretani Firenze recorded its first full year of contribution since its acquisition at the end of November 2018. The hotel adopted an enhanced revenue optimisation strategy through the management of its pricing and volume strategy and attained a RevPAR growth of 6.5% for FY 2019.

In line with the decline in gross revenue, CDLHT recorded NPI<sup>5</sup> of S\$141.2 million, a decrease of 3.3% yoy.

Interest costs for FY 2019 was higher than the same period last year, mainly the result of higher funding costs and increased interest expense incurred on additional loans drawn to finance the acquisition of the Italy Hotel and for some asset enhancements works on the Group's properties.

CDLHT revalued its properties as at 31 December 2019 and recorded an overall net fair value gain of S\$49.0 million. The fair value gain (in SGD terms) arose from its Singapore, Japan and Germany properties and was offset mainly by fair value losses from its Maldives and New Zealand properties. These revaluation gains/losses do not have any impact on the unitholders distribution.

<sup>2</sup> Ministry of Tourism, Republic of Maldives, Tourism Monthly Updates

<sup>3</sup> Ministry of Tourism, Republic of Maldives, Tourism Monthly Updates

<sup>4</sup> Simply Munich, Munich Tourist Board, Market Research Monthly Updates

<sup>5</sup> CDLHT's net property income ("NPI") is derived after deducting the operating expenses of Raffles Maldives Meradhoo, the Japan Hotels, the UK Hotels, as well as property tax and insurance expenses of the portfolio.

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
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Total distribution (after deducting income retained for working capital) was S\$109.4 million in FY 2019, 2.0% lower yoy. Included therein is a capital distribution of about S\$20.5 million from the Group’s properties, out of which a portion relates to partial distribution of proceeds from Mercure and Ibis Brisbane sold in 2018.

The distribution per Stapled Security (“DPS”) (after deducting income retained for working capital) for FY 2019 was 9.02 cents, 2.6% lower yoy.

Statistics on the weighted average occupancy rate, daily rate and RevPAR for the Singapore Hotels are set out below:

	FY 2019	FY 2018	Increase/(Decline)
Average Occupancy Rate	87.5%	86.9%	0.6pp
Average Daily Rate	S\$185	S\$184	0.9%
RevPAR	S\$162	S\$160	1.6%

**9 Variance between the forecast or prospectus statement (if disclosed previously) and the actual results**

No forecast has been disclosed.

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**10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

Visitor arrivals to Singapore grew 2.9% yoy to 17.4 million for year-to-date (“YTD”) Nov 2019. Increased visitation from China, USA, Japan and Indonesia contributed to more than 75% of the growth recorded. Eight out of Singapore’s top ten source markets also recorded growth. With an increase in the average length of stay in Singapore, total visitor days grew 4.0% yoy<sup>1</sup>.

This year, Singapore will see the return of biennial city-wide events such as the Singapore Airshow and Food&HotelAsia (expanding into two dedicated events for the first time) as well as a number of inaugural events like International Trademark Association’s 142<sup>nd</sup> Annual Meeting (8,000 expected attendees) and the 103<sup>rd</sup> Lions Clubs International Convention (20,000 expected foreign attendees)<sup>2</sup>. To support further visitation growth, Singapore continually invests in the expansion of its aviation infrastructure, such as the extensive makeover of Terminal 2 to increase passenger capacity and enhance passenger experience<sup>3</sup>. A new multimillion-dollar marketing partnership with Royal Caribbean International and Changi Airport Group is also expected to bring some 623,000 international fly-cruise visitors to Singapore between end-2019 and 2024<sup>4</sup>.

On the supply front, Singapore hotel inventory is estimated to increase by 789 net rooms<sup>5</sup> in 2020, representing approximately 1.1% of existing room stock. Limited future supply growth is supportive for the hotel sector. For the first 28 days of January 2020, RevPAR for Singapore Hotels increased by 4.1% as compared to the same period last year.

As part of ongoing asset enhancement initiatives and to continually optimise the potential of CDLHT’s assets, pipeworks and refurbishment of guest rooms are currently being carried out at Copthorne King’s Hotel, which are expected to complete in mid 2020. The works are being progressed in phases to minimise disruption and the hotel remains operational. Asset enhancement opportunities in other Singapore Hotels are also being evaluated strategically.

In New Zealand, total arrivals increased 0.8% yoy to 3.4 million for YTD November 2019<sup>6</sup> but growing hotel supply is likely to result in an increasingly competitive trading environment. During January to March 2021, Auckland will host a major sporting event – the America’s Cup sailing regatta and related challenger series, which is expected to drive hotel demand in the lead up to and during the event<sup>7</sup>.

In Japan, visitor arrivals grew 2.2% yoy to 31.9 million for 2019<sup>8</sup>. The Japan-South Korea trade spat continues to weigh on Japan’s economy and hospitality market<sup>9</sup>, with visitor arrivals from South Korea, the second largest source market for Japan, declining 51.1%<sup>8</sup> yoy for 2H 2019. The implementation of sales tax hike is expected to dampen consumer sentiment<sup>10</sup>, while new supply in the limited service hotel sector in Tokyo and the rebound in number of alternative accommodation listings such as Airbnb<sup>11</sup> will also pose near term competitive pressure. The Tokyo 2020 Olympics and Paralympics will provide some yielding opportunities for the Japan Hotels due to expected citywide compression.

Tourism arrivals remain healthy in Maldives, driven mainly by growth in visitor arrivals from India and Europe<sup>12</sup>. The government is also stepping up efforts to boost tourism, with a recent proposal to increase the 2020 state budget for tourism promotion by close to fifty percent<sup>13</sup>. Trading conditions continue to remain highly competitive in the near term due to new resorts supply. Raffles Maldives Meradhoo will undergo a gestation period for a few years before reaching a normalised occupancy level as it continues to build up awareness of the resort through sales and marketing activities. For Angsana Velavaru, 43 out of the 79 land villas have been renovated, with infinity pools being added to 24 of these land villas at the end of last year, ahead of the peak travel season.

<sup>1</sup> STB

<sup>2</sup> STB, “STB unveils a selection of over 60 lifestyle experiences to entice business groups to Singapore”, 10 September 2019

<sup>3</sup> Straits Times, “Changi’s T2 will be greener, more spacious by 2024”, 17 January 2020

<sup>4</sup> STB, “Royal Caribbean Enters into Five-Year Multimillion-Dollar Fly-Cruise Partnership with Singapore Tourism Board and Changi Airport Group”, 21 November 2019

<sup>5</sup> Based on Horwath data (December 2019) and CDLHT Research

<sup>6</sup> Statistics – Tourism New Zealand

<sup>7</sup> CBRE Valuation Report (Grand Millennium Auckland), 31 December 2019

<sup>8</sup> Japan National Tourism Organization

<sup>9</sup> Business Times, “Japan’s exports drop most since 2016 amid trade war, typhoon”, 21 November 2019

<sup>10</sup> Business Times, “Japan proceeds with twice-delayed sales tax hike as growth sputters”, 1 October 2019

<sup>11</sup> Savills World Research Japan, “Spotlight Japan Hospitality”, August 2019

<sup>12</sup> Ministry of Tourism, Republic of Maldives

<sup>13</sup> Maldives Insider, “Maldives proposes tourism marketing budget hike, allocates \$9.98 mln for 2020”, 6 November 2019

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
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Uncertainty over the economic impact and trade deal with the European Union (EU) post Brexit may continue to pose headwinds to overall demand in UK<sup>14</sup>. In the near term, both the Cambridge and Manchester markets will see an increase in hotel inventory.

In continental Europe, moderation in economic growth is expected in both Germany and Italy<sup>15</sup>. Notwithstanding this, tourism demand in Munich remains healthy with total arrivals increasing 5.6% yoy to 8.0 million for YTD November 2019<sup>16</sup> while total arrivals to Florence remains largely unchanged for YTD September 2019<sup>17</sup>. Due to the cyclical nature of Munich’s fair calendar, there will be fewer events for 1H 2020 but a robust line-up of events is expected in 2H 2020.

While the ongoing Wuhan coronavirus outbreak is still at an early stage, regional travel and business and consumer confidence will be affected, given that China is the world’s largest outbound travel market. CDLHT is actively monitoring the situation and ensuring that its portfolio of hotels is putting in place measures to manage the situation for its guests and staff.

In January 2020, CDLHT obtained Stapled Securityholders’ approval for the redevelopment of Novotel Singapore Clarke Quay (“**NCQ**”) and the acquisition of W Singapore – Sentosa Cove (“**W Hotel**”). The redevelopment of NCQ involves the divestment of NCQ and the forward purchase of a brand new lifestyle hotel within the same site, which is expected to complete around 2025<sup>18</sup>. NCQ will cease operations in early April 2020 and its divestment is expected to complete in end April 2020, while the acquisition of W Hotel is expected to complete in 1H 2020. The net divestment proceeds may be used to fund acquisitions; repay existing borrowings; and/or make distributions to Stapled Securityholders (to also mitigate the net effects of the divestment on distributable income).

With a strong balance sheet and ample debt headroom, CDLHT will continue to actively pursue suitable acquisitions to diversify and augment its income streams. CDLHT will also continue to evaluate suitable divestment opportunities as they arise to unlock underlying asset values and/or recycle capital for better returns.

<sup>14</sup> 2020 Inbound Tourism Forecast - VisitBritain

<sup>15</sup> International Monetary Fund, World Economic Outlook, October 2019

<sup>16</sup> München Tourismus

<sup>17</sup> Città Metropolitana Di Firenze

<sup>18</sup> Estimated timeline, subject to change.



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**11 Distributions**

**11 (a) Current financial period**

Any distributions declared for the current financial period? Yes

Name of distribution Distribution for the period from 1 July 2019 to 31 December 2019

Distribution type	Taxable income	Tax exempt income	Capital	<b>Total</b>
Amount (cents per Stapled Security)	3.33	0.48	1.05	<b>4.86</b>

Tax rate

Taxable income distribution

Qualifying investors and individuals (other than those who held their stapled securities through a partnership) would generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax exempt income distribution

All stapled securityholders are exempt from Singapore income tax on the distributions made out of the tax exempt income regardless of whether they are corporate stapled securityholders or investors.

Capital distribution

Capital distribution represents a return of capital to Stapled securityholders for tax purposes and is therefore not subject to income tax. For Stapled securityholders who hold the Stapled securities as trading assets, the amount of capital distribution will be applied to reduce the cost base of their Stapled securities for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Stapled securities.

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
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**11 (b) Corresponding period of the preceding financial period**

Any distributions declared for the current financial period? Yes

Name of distribution Distribution for the period from 1 July 2018 to 31 December 2018

Distribution type	Taxable income	Tax exempt income	Capital	Total
Amount (cents per Stapled Security)	3.17	1.03	0.75	<b>4.95</b>

Tax rate

Taxable income distribution

Qualifying investors and individuals (other than those who held their stapled securities through a partnership) would generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors received their distributions after deduction of tax at the rate of 10%.

All other investors received their distributions after deduction of tax at the rate of 17%.

Tax exempt income distribution

All stapled securityholders are exempt from Singapore income tax on the distributions made out of the tax exempt income regardless of whether they are corporate stapled securityholders or investors.

Capital distribution

Capital distribution represents a return of capital to Stapled securityholders for tax purposes and is therefore not subject to income tax. For Stapled securityholders who hold the Stapled securities as trading assets, the amount of capital distribution will be applied to reduce the cost base of their Stapled securities for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Stapled securities.

**11 (c) Book closure date**

5.00 p.m. on 7 February 2020

**11 (d) Date payable**

26 February 2020

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
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**12 If no distribution has been declared/recommended, a statement to that effect**

Not applicable.

**13 General mandate relating to Interested Person Transactions**

CDL Hospitality Trusts has not obtained a general mandate from stapled securityholders for Interested Person Transactions.

**14 Confirmation pursuant to Rule 720(1) of the Listing Manual**

We, on behalf of the directors of the H-REIT Manager and the HBT Trustee-Manager, hereby confirm that the undertakings from all its directors and executive officers in the format set out in Appendix 7.7 in accordance with Rule 720(1) of the Listing Manual were procured.

**15 Segmented revenue and results for operating segments**

	CDL Hospitality Trusts		
	FY 2019 S\$'000	FY 2018 S\$'000	Variance %
<b><u>Gross Revenue</u></b>			
Singapore	88,298	88,706	(0.5)
New Zealand	16,320	17,831	(8.5)
Australia	9,139	9,832	(7.0)
Maldives	9,730	12,813	(24.1)
Japan	9,411	9,708	(3.1)
United Kingdom	42,376	44,238	(4.2)
Germany	11,092	10,908	1.7
Italy	3,000	207	N.M
Others	7,506	7,560	(0.7)
	<b>196,872</b>	<b>201,803</b>	<b>(2.4)</b>
<b><u>Net Property Income</u></b>			
Singapore	82,860	82,121	0.9
New Zealand	16,320	17,831	(8.5)
Australia	9,139	9,832	(7.0)
Maldives	(1,312)	3,425	N.M
Japan	3,792	4,852	(21.8)
United Kingdom	12,663	12,804	(1.1)
Germany	9,862	9,747	1.2
Italy	2,818	118	N.M
Others	5,020	5,324	(5.7)
	<b>141,162</b>	<b>146,054</b>	<b>(3.3)</b>

**16 In the review performance the factors leading to any changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Section 8(iii) for the review of the actual performance.

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**17 Breakdown of sales**

CDL Hospitality Trusts		
FY 2019 S\$'000	FY 2018 S\$'000	Increase/ (Decrease) %
Gross revenue reported for first half year	93,767	99,508 (5.8)
Total return for first half year	30,562	45,293 (32.5)
Gross revenue reported for second half year	103,105	102,295 0.8
Total return for second half year	83,495	65,244 28.0

**18 Annual distribution to holders of Stapled Securities for financial year ended 31 December 2019**

CDL Hospitality Trusts	
1 Jan 2019 to 31 Dec 2019 S\$'000	1 Jan 2018 to 31 Dec 2018 S\$'000
1 July 2017 to 31 December 2017	61,419
1 January 2018 to 30 June 2018	51,916
1 July 2018 to 31 December 2018	-
1 January 2019 to 30 June 2019	-
	59,719
	50,406

**19 Confirmation pursuant to Rule 704(13) of the Listing Manual**

Pursuant to Rule 704(13) of the Listing Manual of Singapore Exchange Securities Trading Limited, the H-REIT Manager and the HBT Trustee-Manager confirm that there are no persons occupying managerial positions in the H-REIT Manager and its principal subsidiary, the HBT Trustee-Manager, who are related to a director or the chief executive officer or a substantial shareholder of the H-REIT Manager or of the HBT Trustee-Manager respectively or a substantial stapled security holder of CDLHT.

On behalf of the Board of Directors

CHAN SOON HEE ERIC  
 Chairman

VINCENT YEO WEE ENG  
 Chief Executive Officer

30 January 2020

**CDL HOSPITALITY TRUSTS (“CDLHT”)  
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**IMPORTANT NOTICE**

*This announcement 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, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of the REIT Manager and the Trustee-Manager (together with the REIT Manager, the “Managers”) on future events.*

*The value of the stapled securities in CDLHT (the “Stapled Securities”) and the income derived from them, may fall or rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers or any of its affiliates. An investment in 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. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on the Singapore Exchange Securities Trading Limited (“SGX-ST”). Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.*

*Nothing in this announcement constitutes an offer of any securities in the United States or elsewhere. The rights Stapled Securities have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from the registration requirements of that Act. No public offer of the rights Stapled Securities has been or will be made in the United States.*

*The past performance of CDLHT is not necessarily indicative of the future performance of CDLHT.*

*Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.*

By Order of the Board

Enid Ling Peek Fong  
Company Secretary  
M&C REIT Management Limited  
(Company Registration No. 200607091Z)  
(as Manager of CDL Hospitality Real Estate Investment Trust)

30 January 2020

By Order of the Board

Enid Ling Peek Fong  
Company Secretary  
M&C Business Trust Management Limited  
(Company Registration No. 200607118H)  
(as Trustee-Manager of CDL Hospitality Business Trust)

30 January 2020



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The Board of Directors  
M&C REIT Management Limited  
(in its capacity as Manager of CDL Hospitality Real Estate Investment Trust)  
390 Havelock Road  
#02-05 King's Centre  
Singapore 169662

30 January 2020

Dear Sirs

## **CDL Hospitality Trusts**

### **Report on review of financial information**

#### ***Introduction***

We have reviewed the accompanying financial information (the "Financial Information") of CDL Hospitality Trusts ("CDLHT") for the year ended 31 December 2019. CDLHT comprises CDL Hospitality Real Estate Investment Trust and its subsidiaries and CDL Hospitality Business Trust and its subsidiaries. The Financial Information consists of the following:

- Statement of financial position of CDLHT as at 31 December 2019;
- Portfolio statement of CDLHT as at 31 December 2019;
- Statement of total return of CDLHT for the year ended 31 December 2019;
- Statement of movements in unitholders' funds of CDLHT for the year ended 31 December 2019;
- Distribution statement of CDLHT for the year ended 31 December 2019;
- Statement of cash flows of CDLHT for the year ended 31 December 2019; and
- Certain explanatory notes to the above Financial Information.

The management of M&C REIT Management Limited (the "Manager" of H-REIT) is responsible for the preparation and presentation of this Financial Information in accordance with the recommendations of Statement of Recommended Accounting Practice ("RAP") 7 *Reporting Framework for Unit Trusts* relevant to interim financial information, issued by the Institute of Singapore Chartered Accountants ("ISCA"). Our responsibility is to express a conclusion on this Financial Information based on our review.



***Scope of review***

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Financial Information is not prepared, in all material respects, in accordance with the recommendations of RAP 7 *Reporting Framework for Unit Trusts* relevant to interim financial information issued by the ISCA.

***Restriction on use***

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Financial Information for the purpose of assisting CDLHT to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in CDLHT's announcement of its financial statements for the information of the holders of its stapled securities. We do not assume responsibility to parties other than CDLHT for our work, for our report, or for the conclusions we have reached in our report.

*KPMG WP*

**KPMG LLP**  
*Public Accountants and*  
*Chartered Accountants*

**Singapore**  
30 January 2020