



CDL HOSPITALITY TRUSTS

CDL Hospitality Trusts
(Constituted in the Republic of Singapore pursuant to a
stapling deed dated 12 June 2006)

Condensed interim financial statements
Six-month period ended 30 June 2024

Statements of Financial Position
As at 30 June 2024

	Note	HBT Group		H-REIT Group		Stapled Group	
		30/06/2024	31/12/2023	30/06/2024	31/12/2023	30/06/2024	31/12/2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current assets							
Investment properties	3	157,217	–	2,770,715	2,750,215	2,404,609	2,232,899
Investment property under development	4	–	131,423	–	–	–	131,423
Property, plant and equipment	5	285,698	288,444	65,166	71,814	808,212	814,611
Finance lease receivables		–	–	3,908	4,345	3,908	4,345
Deferred tax assets		759	721	747	751	1,506	1,472
Financial derivative assets		–	–	10,068	8,300	10,068	8,300
Other receivables		529	529	168,798	145,801	677	677
		<u>444,203</u>	<u>421,117</u>	<u>3,019,402</u>	<u>2,981,226</u>	<u>3,228,980</u>	<u>3,193,727</u>
Current assets							
Inventories		2,443	2,451	–	–	2,443	2,451
Finance lease receivables		–	–	854	800	854	800
Trade and other receivables		25,762	23,705	53,643	45,997	35,351	27,446
Financial derivative assets		–	–	5,702	6,210	5,702	6,210
Cash and cash equivalents		17,748	14,798	47,175	57,202	64,923	72,000
		<u>45,953</u>	<u>40,954</u>	<u>107,374</u>	<u>110,209</u>	<u>109,273</u>	<u>108,907</u>
Total assets		<u>490,156</u>	<u>462,071</u>	<u>3,126,776</u>	<u>3,091,435</u>	<u>3,338,253</u>	<u>3,302,634</u>
Non-current liabilities							
Loans and borrowings	6	374,032	352,768	744,454	834,679	853,788	941,683
Financial derivative liabilities		–	–	442	1,476	442	1,476
Other payables		73	74	11,976	11,665	12,049	11,739
Deferred tax liabilities		23,940	23,886	16,136	16,429	42,918	43,151
		<u>398,045</u>	<u>376,728</u>	<u>773,008</u>	<u>864,249</u>	<u>909,197</u>	<u>998,049</u>
Current liabilities							
Loans and borrowings	6	9,304	8,896	481,890	348,173	481,999	348,313
Trade and other payables		81,824	67,221	44,834	45,088	72,595	60,260
Financial derivative liabilities		–	–	44	30	44	30
Provision for taxation		2,736	2,870	7,261	6,850	9,997	9,720
		<u>93,864</u>	<u>78,987</u>	<u>534,029</u>	<u>400,141</u>	<u>564,635</u>	<u>418,323</u>
Total liabilities		<u>491,909</u>	<u>455,715</u>	<u>1,307,037</u>	<u>1,264,390</u>	<u>1,473,832</u>	<u>1,416,372</u>
Net assets		<u>(1,753)</u>	<u>6,356</u>	<u>1,819,739</u>	<u>1,827,045</u>	<u>1,864,421</u>	<u>1,886,262</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Statements of Financial Position (cont'd)
As at 30 June 2024

	Note	HBT Group		H-REIT Group		Stapled Group	
		30/06/2024	31/12/2023	30/06/2024	31/12/2023	30/06/2024	31/12/2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Represented by:							
Unitholders' funds		(1,753)	6,356	1,811,794	1,819,229	1,856,476	1,878,446
Non-controlling interests		–	–	7,945	7,816	7,945	7,816
		<u>(1,753)</u>	<u>6,356</u>	<u>1,819,739</u>	<u>1,827,045</u>	<u>1,864,421</u>	<u>1,886,262</u>
Units/Stapled Securities in issue ('000)	7	<u>1,253,384</u>	<u>1,245,832</u>	<u>1,253,384</u>	<u>1,245,832</u>	<u>1,253,384</u>	<u>1,245,832</u>
Net asset value/Net tangible asset per Unit/ Stapled Security (\$)	8	<u>(0.0014)</u>	<u>0.0051</u>	<u>1.44</u>	<u>1.45</u>	<u>1.48</u>	<u>1.50</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Statement of Profit or Loss of the HBT Group
Statements of Total Return of the H-REIT Group and the Stapled Group
Six-month period ended 30 June 2024

	Note	HBT Group		H-REIT Group		Stapled Group	
		Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
		30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	9	70,762	67,601	70,236	65,543	127,348	119,222
Property expenses							
Operations and maintenance expenses		(15,537)	(14,226)	–	–	(15,537)	(14,226)
Employee benefit expenses		(22,996)	(21,745)	–	–	(22,996)	(21,745)
Rental expenses		(7,737)	(7,969)	–	–	(26)	(13)
Property tax		(678)	(777)	(4,012)	(2,129)	(4,690)	(2,906)
Other property expenses		(14,458)	(13,886)	(3,108)	(3,592)	(17,566)	(17,478)
		<u>(61,406)</u>	<u>(58,603)</u>	<u>(7,120)</u>	<u>(5,721)</u>	<u>(60,815)</u>	<u>(56,368)</u>
Net property income		9,356	8,998	63,116	59,822	66,533	62,854
H-REIT Manager's management fee	10	–	–	(6,423)	(6,046)	(6,423)	(6,046)
H-REIT Trustee's fee		–	–	(220)	(201)	(220)	(201)
HBT Trustee-Manager's management fee	10	(650)	(535)	–	–	(650)	(535)
HBT Trustee-Manager's trustee fee		(182)	(142)	–	–	(182)	(142)
Valuation fee		(39)	(20)	(100)	(86)	(139)	(106)
Depreciation		(8,149)	(8,604)	(907)	(794)	(11,032)	(11,222)
Other expenses		(1,883)	(666)	(1,698)	(1,444)	(3,582)	(2,059)
Finance income		41	39	5,858	2,870	2,571	460
Finance costs		(11,171)	(13,319)	(27,618)	(26,281)	(32,500)	(31,082)
Net finance costs	11	<u>(11,130)</u>	<u>(13,280)</u>	<u>(21,760)</u>	<u>(23,411)</u>	<u>(29,929)</u>	<u>(30,622)</u>
(Loss)/Total return for the period before tax		(12,677)	(14,249)	32,008	27,840	14,376	11,921
Tax expense	12	(553)	(1,676)	(2,345)	(2,328)	(2,898)	(4,004)
(Loss)/Total return for the period	13	<u>(13,230)</u>	<u>(15,925)</u>	<u>29,663</u>	<u>25,512</u>	<u>11,478</u>	<u>7,917</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Statement of Profit or Loss of the HBT Group
Statements of Total Return of the H-REIT Group and the Stapled Group
Six-month period ended 30 June 2024

	HBT Group		H-REIT Group		Stapled Group	
	Six-month	Six-month	Six-month	Six-month	Six-month	Six-month
	period	period	period	period	period	period
	ended	ended	ended	ended	ended	ended
Note	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(Loss)/Total return attributable to:						
Unitholders	(13,230)	(15,925)	29,439	25,320	11,254	7,725
Non-controlling interests	–	–	224	192	224	192
	<u>(13,230)</u>	<u>(15,925)</u>	<u>29,663</u>	<u>25,512</u>	<u>11,478</u>	<u>7,917</u>
Earnings per Stapled Security (cents)						
Basic					0.90	0.62
Diluted					<u>0.90</u>	<u>0.62</u>

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Statement of Comprehensive Income of the HBT Group
Six-month period ended 30 June 2024

	HBT Group	
	Six-month period ended 30/06/2024 \$'000	Six-month period ended 30/06/2023 \$'000
Loss for the period	(13,230)	(15,925)
Other comprehensive income		
<i>Items that will not be reclassified to profit or loss:</i>		
Tax effect on revaluation of property, plant and equipment	189	(4)
	<u>189</u>	<u>(4)</u>
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Translation differences relating to financial statements of foreign subsidiaries	3,570	7,691
Exchange differences on monetary items forming part of net investment in foreign operations	1,940	5,194
Exchange differences on hedge of net investments in foreign operations	(1,098)	(2,940)
	<u>4,412</u>	<u>9,945</u>
Other comprehensive income for the period, net of tax	<u>4,601</u>	<u>9,941</u>
Total comprehensive income for the period	<u>(8,629)</u>	<u>(5,984)</u>

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Statements of Movements in Unitholders' Funds
Six-month period ended 30 June 2024

	----- HBT Group -----					----- H-REIT Group -----			----- Stapled Group -----			
	Units in issue and to be issued \$'000	Issue expenses \$'000	Revaluation reserve \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Total \$'000	Attributable to Stapled Security-holders \$'000	Non-controlling interests \$'000	Total \$'000	Attributable to Stapled Security-holders \$'000	Non-controlling interests \$'000	Total \$'000
At 1 January 2024	108,488	(121)	11,926	(1,588)	(112,349)	6,356	1,819,229	7,816	1,827,045	1,878,446	7,816	1,886,262
Operations												
- (Decrease)/Increase in net assets resulting from operations	-	-	-	-	(13,230)	(13,230)	29,439	224	29,663	11,254	224	11,478
Revaluation reserve												
- Tax effect on revaluation of property, plant and equipment	-	-	189	-	-	189	18	-	18	207	-	207
Foreign currency translation reserve												
- Translation differences relating to financial statements of foreign subsidiaries	-	-	-	3,570	-	3,570	(3,108)	(44)	(3,152)	985	(44)	941
- Exchange differences on monetary items forming part of net investment in foreign operations	-	-	-	1,940	-	1,940	644	-	644	2,584	-	2,584
- Exchange differences on hedge of net investments in foreign operations	-	-	-	(1,098)	-	(1,098)	222	-	222	(2,870)	-	(2,870)
Other comprehensive income	-	-	189	4,412	-	4,601	(2,224)	(44)	(2,268)	906	(44)	862
Total comprehensive income	-	-	189	4,412	(13,230)	(8,629)	27,215	180	27,395	12,160	180	12,340
Balance carried forward	108,488	(121)	12,115	2,824	(125,579)	(2,273)	1,846,444	7,996	1,854,440	1,890,606	7,996	1,898,602

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Statements of Movements in Unitholders' Funds (cont'd)
Six-month period ended 30 June 2024

	----- HBT Group -----						----- H-REIT Group -----			----- Stapled Group -----		
	Units in issue and to be issued \$'000	Issue expenses \$'000	Revaluation reserve \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Total \$'000	Attributable to Stapled Security- holders \$'000	Non- controlling interests \$'000	Total \$'000	Attributable to Stapled Security- holders \$'000	Non- controlling interests \$'000	Total \$'000
Balance brought forward	108,488	(121)	12,115	2,824	(125,579)	(2,273)	1,846,444	7,996	1,854,440	1,890,606	7,996	1,898,602
Transactions with owners, recorded directly in equity												
<u>Contributions by and distributions to owners</u>												
- Distributions to holders of Stapled Securities	-	-	-	-	-	-	(39,789)	(51)	(39,840)	(39,789)	(51)	(39,840)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	-	-	-	-	-	-	5,139	-	5,139	5,139	-	5,139
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee- Manager's management fee	520	-	-	-	-	520	-	-	-	520	-	520
Total contributions by and distributions to owners	520	-	-	-	-	520	(34,650)	(51)	(34,701)	(34,130)	(51)	(34,181)
Total transactions with owners	520	-	-	-	-	520	(34,650)	(51)	(34,701)	(34,130)	(51)	(34,181)
At 30 June 2024	109,008	(121)	12,115	2,824	(125,579)	(1,753)	1,811,794	7,945	1,819,739	1,856,476	7,945	1,864,421

The accompanying notes form an integral part of these condensed interim financial statements.

Statements of Movements in Unitholders' Funds (cont'd)
Six-month period ended 30 June 2024

	----- HBT Group -----					----- H-REIT Group -----			----- Stapled Group -----			
	Units in issue and to be issued \$'000	Issue expenses \$'000	Revaluation reserve \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Total \$'000	Attributable to Stapled Security- holders \$'000	Non- controlling interests \$'000	Total \$'000	Attributable to Stapled Security- holders \$'000	Non- controlling interests \$'000	Total \$'000
At 1 January 2023	108,643	(121)	5,819	(7,699)	(99,631)	7,011	1,750,373	6,926	1,757,299	1,786,218	6,926	1,793,144
Operations												
- (Decrease)/Increase in net assets resulting from operations	-	-	-	-	(15,925)	(15,925)	25,320	192	25,512	7,725	192	7,917
Revaluation reserve												
- Tax effect on revaluation of property, plant and equipment	-	-	(4)	-	-	(4)	10	-	10	6	-	6
Foreign currency translation reserve												
- Translation differences relating to financial statements of foreign subsidiaries	-	-	-	7,691	-	7,691	(4,492)	211	(4,281)	3,216	211	3,427
- Exchange differences on monetary items forming part of net investment in foreign operations	-	-	-	5,194	-	5,194	1,419	-	1,419	6,613	-	6,613
- Exchange differences on hedge of net investments in foreign operations	-	-	-	(2,940)	-	(2,940)	(597)	-	(597)	(8,457)	-	(8,457)
Other comprehensive income	-	-	(4)	9,945	-	9,941	(3,660)	211	(3,449)	1,378	211	1,589
Total comprehensive income	-	-	(4)	9,945	(15,925)	(5,984)	21,660	403	22,063	9,103	403	9,506
Balance carried forward	108,643	(121)	5,815	2,246	(115,556)	1,027	1,772,033	7,329	1,779,362	1,795,321	7,329	1,802,650

The accompanying notes form an integral part of these condensed interim financial statements.

Statements of Movements in Unitholders' Funds (cont'd)
Six-month period ended 30 June 2024

	----- HBT Group -----					----- H-REIT Group -----			----- Stapled Group -----			
	Units in issue and to be issued \$'000	Issue expenses \$'000	Revaluation reserve \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Total \$'000	Attributable to Stapled Security- holders \$'000	Non- controlling interests \$'000	Total \$'000	Attributable to Stapled Security- holders \$'000	Non- controlling interests \$'000	Total \$'000
Balance brought forward	108,643	(121)	5,815	2,246	(115,556)	1,027	1,772,033	7,329	1,779,362	1,795,321	7,329	1,802,650
Transactions with owners, recorded directly in equity												
<u>Contributions by and distributions to owners</u>												
- Distributions to holders of Stapled Securities	(1,105)	-	-	-	(707)	(1,812)	(42,640)	-	(42,640)	(44,452)	-	(44,452)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	-	-	-	-	-	-	4,836	-	4,836	4,836	-	4,836
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee- Manager's management fee	428	-	-	-	-	428	-	-	-	428	-	428
Total contributions by and distributions to owners	(677)	-	-	-	(707)	(1,384)	(37,804)	-	(37,804)	(39,188)	-	(39,188)
Total transactions with owners	(677)	-	-	-	(707)	(1,384)	(37,804)	-	(37,804)	(39,188)	-	(39,188)
At 30 June 2023	107,966	(121)	5,815	2,246	(116,263)	(357)	1,734,229	7,329	1,741,558	1,756,133	7,329	1,763,462

The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations into Singapore dollar, exchange differences on monetary items which form part of Stapled Group's net investment in foreign operations and exchange differences arising from hedge of net investment in foreign operations.

The accompanying notes form an integral part of these condensed interim financial statements.

Distribution Statement
Six-month period ended 30 June 2024

	Note	Stapled Group Six-month period ended 30/06/2024 \$'000	Six-month period ended 30/06/2023 \$'000
Amount available for distribution to holders of Stapled Securities at the beginning of the period		38,697	43,413
Total return of H-REIT	13 (ii)	21,059	19,896
Loss of HBT	13 (ii)	(10,929)	(10,205)
Net tax adjustments (Note A)		18,620	21,395
		28,750	31,086
Less: Amount retained for working capital		(2,875)	(3,109)
Add: Capital distribution		5,550	3,225
Amount available for distribution to holders of Stapled Securities		<u>70,122</u>	<u>74,615</u>
Distribution to holders of Stapled Securities:			
Distribution of 3.59 cents per Stapled Security for the period from 1/7/2022 to 31/12/2022		–	(44,452)
Distribution of 3.19 cents per Stapled Security for the period from 1/7/2023 to 31/12/2023		(39,789)	–
		<u>(39,789)</u>	<u>(44,452)</u>
Amount available for distribution to holders of Stapled Securities at the end of the period		<u>30,333</u>	<u>30,163</u>
Distribution per Stapled Security (DPS) (cents)		<u>2.51</u>	<u>2.51</u>
Note A – Net tax adjustments comprise:			
Non-tax deductible/(chargeable) items:			
- Amortisation of transaction costs		1,041	954
- Fair value (gain)/loss on financial derivatives		(2,241)	4,595
- Financial expense arising from accretion of non-current rental deposits measured at amortised cost		141	136
- Foreign exchange loss		5,989	5,029
- H-REIT Manager's management fee paid/payable in Stapled Securities		5,139	4,836
- H-REIT Trustee's fee		220	201
- HBT Trustee-Manager's management fee paid/payable in Stapled Securities		520	428
- HBT Trustee-Manager's trustee fee		182	142
- Other items		7,629	5,074
Net tax adjustments		<u>18,620</u>	<u>21,395</u>

Distributions of the Stapled Group represents the aggregate of distributions by H-REIT and HBT.

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements
As at 30 June 2024
H-REIT Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2024 ⁽¹⁾ \$'000	Carrying value at 31/12/2023 ⁽¹⁾ \$'000	Percentage of total net assets at 30/06/2024 %	Percentage of total net assets at 31/12/2023 %
<u>Investment properties</u>									
<i>Singapore</i>									
Orchard Hotel	Freehold ⁽²⁾	75 years	57 years	442 Orchard Road	Hotel	515,407	515,000	28.3	28.2
Claymore Connect	Freehold ⁽²⁾	75 years	57 years	442 Orchard Road	Retail	110,000	110,000	6.0	6.0
Grand Copthorne Waterfront Hotel	Freehold ⁽²⁾	75 years	57 years	392 Havelock Road	Hotel	423,178	420,000	23.3	23.0
M Hotel	Freehold ⁽²⁾	75 years	57 years	81 Anson Road	Hotel	271,133	271,000	14.9	14.8
Copthorne King's Hotel	Leasehold	99 years from 1 February 1968	42 years	403 Havelock Road	Hotel	146,123	146,000	8.0	8.0
Studio M Hotel	Leasehold	99 years from 26 February 2007	81 years	3 Nanson Road	Hotel	207,249	206,000	11.4	11.3
W Singapore – Sentosa Cove	Leasehold	99 years from 31 October 2006	81 years	21 Ocean Way	Hotel	398,641	396,227	21.9	21.7
Balance carried forward						2,071,731	2,064,227	113.8	113.0

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Portfolio Statements (cont'd)
As at 30 June 2024
H-REIT Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2024 ⁽¹⁾ \$'000	Carrying value at 31/12/2023 ⁽¹⁾ \$'000	Percentage of total net assets at 30/06/2024 %	Percentage of total net assets at 31/12/2023 %
Balance brought forward						2,071,731	2,064,227	113.8	113.0
<i>Germany</i>									
Pullman Hotel Munich	Freehold	–	–	Theodor-Dombart-Strasse 4, Munich	Hotel	153,962	152,935	8.5	8.4
<i>Italy</i>									
Hotel Cerretani Firenze – MGallery	Freehold	–	–	Via De Cerretani 68, Florence	Hotel	66,327	66,398	3.6	3.6
<i>New Zealand</i>									
Grand Millennium Auckland	Freehold	–	–	71 – 87 Mayoral Drive, Auckland	Hotel	179,555	176,248	9.9	9.6
<i>Australia</i>									
Ibis Perth	Freehold	–	–	334 Murray Street, Perth	Hotel	27,156	26,571	1.5	1.5
Mercure Perth	Freehold	–	–	10 Irwin Street, Perth	Hotel	36,172	35,578	2.0	1.9
<i>Maldives</i>									
Angsana Velavaru	Leasehold	99 years from 26 August 1997	72 years	South Nilandhe Atoll	Resort	92,332	89,769	5.1	4.9
Raffles Maldives Meradhoo	Leasehold	99 years from 15 June 2006	80 years	Gaafu Alifu Atoll	Resort	60,466	58,940	3.3	3.2
<i>United Kingdom</i>									
voco Manchester – City Centre ⁽³⁾	Leasehold	197 years from 7 May 2021	193 years	57 & 59 Portland Street, Manchester	Hotel	83,014	79,549	4.6	4.4
Investment properties						2,770,715	2,750,215	152.3	150.5

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Portfolio Statements (cont'd)
As at 30 June 2024
H-REIT Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2024 ⁽¹⁾ \$'000	Carrying value at 31/12/2023 ⁽¹⁾ \$'000	Percentage of total net assets at 30/06/2024 %	Percentage of total net assets at 31/12/2023 %
<u>Property, plant and equipment</u>									
<i>Japan</i>									
Hotel MyStays Asakusabashi	Freehold	–	–	1-5-5 Asakusabashi, Taito-ku, Tokyo, Japan	Hotel	38,378	42,501	2.1	2.3
Hotel MyStays Kamata	Freehold	–	–	5-46-5 Kamata, Ota-ku, Tokyo, Japan	Hotel	25,318	28,086	1.4	1.5
Other plant and equipment	–	–	–	–	–	1,470	1,227	0.1	0.1
Property, plant and equipment						65,166	71,814	3.6	3.9
Investment properties and property, plant and equipment						2,835,881	2,822,029	155.9	154.4
Other assets and liabilities (net)						(1,016,142)	(994,984)	(55.9)	(54.4)
Net assets of the H-REIT Group						1,819,739	1,827,045	100.00	100.0

⁽¹⁾ The carrying values include right-of-use assets recognised on leases of land.

⁽²⁾ H-REIT's interest in the freehold land is restricted to the remaining term of each respective lease.

⁽³⁾ Formerly known as Hotel Brooklyn.

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (cont'd)
As at 30 June 2024
Stapled Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2024 ⁽¹⁾ \$'000	Carrying value at 31/12/2023 ⁽¹⁾ \$'000	Percentage of total net assets at 30/06/2024 %	Percentage of total net assets at 31/12/2023 %
<u>Investment properties</u>									
<i>Singapore</i>									
Orchard Hotel	Freehold ⁽²⁾	75 years	57 years	442 Orchard Road	Hotel	515,407	515,000	27.6	27.3
Claymore Connect	Freehold ⁽²⁾	75 years	57 years	442 Orchard Road	Retail	110,000	110,000	5.9	5.8
Grand Copthorne Waterfront Hotel	Freehold ⁽²⁾	75 years	57 years	392 Havelock Road	Hotel	423,177	420,000	22.7	22.3
M Hotel	Freehold ⁽²⁾	75 years	57 years	81 Anson Road	Hotel	271,133	271,000	14.5	14.4
Copthorne King's Hotel	Leasehold	99 years from 1 February 1968	42 years	403 Havelock Road	Hotel	146,123	146,000	7.8	7.7
Studio M Hotel	Leasehold	99 years from 26 February 2007	81 years	3 Nanson Road	Hotel	207,249	206,000	11.1	10.9
Balance carried forward						1,673,089	1,668,000	89.6	88.4

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (cont'd)
As at 30 June 2024
Stapled Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2024 ⁽¹⁾ \$'000	Carrying value at 31/12/2023 ⁽¹⁾ \$'000	Percentage of total net assets at 30/06/2024 %	Percentage of total net assets at 31/12/2023 %
Balance brought forward						1,673,089	1,668,000	89.6	88.4
<i>Germany</i>									
Pullman Hotel Munich	Freehold	–	–	Theodor-Dombart-Strasse 4, Munich	Hotel	153,962	152,935	8.3	8.1
<i>Italy</i>									
Hotel Cerretani Firenze – MGallery	Freehold	–	–	Via De Cerretani 68, Florence	Hotel	66,327	66,398	3.6	3.5
<i>New Zealand</i>									
Grand Millennium Auckland	Freehold	–	–	71 – 87 Mayoral Drive, Auckland	Hotel	179,555	176,248	9.6	9.3
<i>Maldives</i>									
Angsana Velavaru	Leasehold	99 years from 26 August 1997	72 years	South Nilandhe Atoll	Resort	92,332	89,769	5.0	4.8
<i>United Kingdom</i>									
voco Manchester – City Centre ⁽³⁾	Leasehold	197 years from 7 May 2021	193 years	57 & 59 Portland Street, Manchester	Hotel	83,014	79,549	4.5	4.2
The Castings ⁽⁴⁾	Freehold	–	–	Heyrod Street, Manchester	Residential	156,330	131,423	8.4	7.0
Investment properties						2,404,609	2,364,322	129.0	125.3

The accompanying notes form an integral part of these condensed interim financial statements.

Portfolio Statements (cont'd)
As at 30 June 2024
Stapled Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2024 ⁽¹⁾ \$'000	Carrying value at 31/12/2023 ⁽¹⁾ \$'000	Percentage of total net assets at 30/06/2024 %	Percentage of total net assets at 31/12/2023 %
<u>Property, plant and equipment</u>									
<i>Singapore</i>									
W Singapore – Sentosa Cove	Leasehold	99 years from 31 October 2006	81 years	21 Ocean Way	Hotel	407,641	409,248	21.9	21.7
<i>Australia</i>									
Ibis Perth	Freehold	–	–	334 Murray Street, Perth	Hotel	31,459	31,074	1.7	1.6
Mercure Perth	Freehold	–	–	10 Irwin Street, Perth	Hotel	40,504	40,532	2.2	2.1
<i>Maldives</i>									
Raffles Maldives Meradhoo	Leasehold	99 years from 15 June 2006	80 years	Gaafu Alifu Atoll	Resort	69,750	69,528	3.7	3.7
<i>Japan</i>									
Hotel MyStays Asakusabashi	Freehold	–	–	1-5-5 Asakusabashi, Taito-ku, Tokyo, Japan	Hotel	38,378	42,501	2.1	2.3
Hotel MyStays Kamata	Freehold	–	–	5-46-5 Kamata, Ota-ku, Tokyo, Japan	Hotel	25,318	28,086	1.4	1.5
<i>United Kingdom</i>									
Hilton Cambridge City Centre	Leasehold	125 years from 25 December 1990	91 years	Downing Street, Cambridge	Hotel	107,982	107,486	5.8	5.7
The Lowry Hotel	Leasehold	150 years from 18 March 1997	122 years	Manchester	Hotel	85,610	84,744	4.6	4.5
Other plant and equipment	–	–	–	–	–	1,570	1,412	0.1	0.1
Property plant and equipment						808,212	814,611	43.5	43.2
Investment properties and property, plant and equipment						3,212,821	3,178,933	172.3	168.5
Other assets and liabilities (net)						(1,348,400)	(1,292,671)	(72.3)	(68.5)
Net assets of the Stapled Group						1,864,421	1,886,262	100.00	100.0

⁽¹⁾ The carrying values include right-of-use assets recognised on leases of land and buildings.

⁽²⁾ H-REIT's interest in the freehold land is restricted to the remaining term of each respective lease.

⁽³⁾ Formerly known as Hotel Brooklyn.

⁽⁴⁾ The property was previously classified as 'investment property under development'. The practical completion of the development work has been achieved on 4 June 2024 and was reclassified as investment property known as the "The Castings".

The accompanying notes form an integral part of these condensed interim financial statements.

Statements of Cash Flows
Six-month period ended 30 June 2024

	HBT Group		H-REIT Group		Stapled Group	
	Six-month	Six-month	Six-month	Six-month	Six-month	Six-month
	period ended	period ended	period ended	period ended	period ended	period ended
Note	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities						
(Loss)/Total return for the period before tax	(12,677)	(14,249)	32,008	27,840	14,376	11,921
Adjustments for:						
H-REIT Manager's and HBT Trustee-Manager's fees paid/payable in Stapled Securities	520	428	5,139	4,836	5,659	5,264
Depreciation of property, plant and equipment	8,149	8,604	907	794	11,032	11,222
Gain on disposal of property, plant and equipment	–	–	–	–	–	(12)
Impairment loss/(Reversal of impairment loss) on trade receivables	89	(2)	3	195	92	193
Net finance costs	11,130	13,280	21,760	23,411	29,929	30,622
Operating income before working capital changes	7,211	8,061	59,817	57,076	61,088	59,210
Changes in:						
- Inventories	56	150	–	–	56	150
- Trade and other receivables	(1,780)	(360)	(8,257)	(3,192)	(9,197)	(2,694)
- Trade and other payables	7,140	107	(4,369)	(1,228)	796	(2,761)
Cash generated from operations	12,627	7,958	47,191	52,656	52,743	53,905
Tax paid	(1,057)	(1,562)	(1,408)	(3,650)	(2,466)	(5,212)
Net cash generated from operating activities	11,570	6,396	45,783	49,006	50,277	48,693
Cash flows from investing activities						
Loan to related entity	–	–	(16,308)	(25,227)	–	–
Additions to property, plant and equipment	(656)	(2,400)	(422)	(1,223)	(5,302)	(5,115)
Proceeds from disposal of property, plant and equipment	–	–	–	–	–	12
Capital expenditure on investment properties	(14,427)	(30,396)	(12,574)	(9,600)	(21,889)	(37,707)
Receipt of finance lease receivables	–	–	383	236	383	236
Interest received	41	39	305	520	346	559
Net cash used in investing activities	(15,042)	(32,757)	(28,616)	(35,294)	(26,462)	(42,015)
Cash flows from financing activities						
Loan from related entity	16,308	25,227	–	–	–	–
Proceeds from bank loans	–	–	151,206	199,121	151,206	199,121
Repayment of bank loans	–	–	(114,902)	(171,386)	(114,902)	(171,386)
Payment of transaction costs related to bank loans	–	(15)	(417)	(929)	(417)	(944)
Payment of lease liabilities	(4,404)	(3,971)	(459)	(589)	(529)	(656)
Finance costs paid	(5,637)	(4,531)	(22,243)	(19,080)	(26,026)	(21,615)
Distributions to holders of Stapled Securities	–	(1,812)	(39,789)	(42,640)	(39,789)	(44,452)
Movement in restricted cash	–	–	(67)	(441)	(67)	(441)
Net cash generated from/(used in) financing activities	6,267	14,898	(26,671)	(35,944)	(30,524)	(40,373)

The accompanying notes form an integral part of these condensed interim financial statements.

Statements of Cash Flows (cont'd)
Six-month period ended 30 June 2024

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2024 \$'000	Six-month period ended 30/06/2023 \$'000	Six-month period ended 30/06/2024 \$'000	Six-month period ended 30/06/2023 \$'000	Six-month period ended 30/06/2024 \$'000	Six-month period ended 30/06/2023 \$'000
Net increase/(decrease) in cash and cash equivalents	2,795	(11,463)	(9,504)	(22,232)	(6,709)	(33,695)
Cash and cash equivalents at beginning of the year	14,798	25,549	55,185	69,751	69,983	95,300
Effect of exchange rate changes on cash and cash equivalents	155	303	(410)	(70)	(255)	233
Cash and cash equivalents at end of the period	17,748	14,389	45,271	47,449	63,019	61,838

Cash and cash equivalents at the end of the period

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2024 \$'000	Six-month period ended 30/06/2023 \$'000	Six-month period ended 30/06/2024 \$'000	Six-month period ended 30/06/2023 \$'000	Six-month period ended 30/06/2024 \$'000	Six-month period ended 30/06/2023 \$'000
Cash and cash equivalents in the statement of financial position	17,748	14,389	47,175	49,390	64,923	63,779
Restricted cash	–	–	(1,904)	(1,941)	(1,904)	(1,941)
Cash and cash equivalents in the statement of cash flows	17,748	14,389	45,271	47,449	63,019	61,838

Significant non-cash transactions

There were the following non-cash transactions:

- (i) 6,908,888 (30/06/2023: 5,619,037) Stapled Securities amounting to \$7.4 million (30/06/2023: \$6.8 million) were issued to the H-REIT Manager as satisfaction of the management fee payable in Stapled Securities.
- (ii) 642,926 (30/06/2023: 448,292) Stapled Securities amounting to \$0.7 million (30/06/2023: \$0.5 million) were issued to the HBT Trustee-Manager as satisfaction of the management fee payable in Stapled Securities.

The accompanying notes form an integral part of these condensed interim financial statements.

Notes to the Condensed Interim Financial Statements

1 General

CDL Hospitality Trusts is a stapled group comprising CDL Hospitality Real Estate Investment Trust (“H-REIT”) and its subsidiaries (the “H-REIT Group”) and CDL Hospitality Business Trust (“HBT”) and its subsidiaries (the “HBT Group”) (collectively, the “Stapled Group”). H-REIT is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 8 June 2006 (as amended) (the “H-REIT Trust Deed”) between M&C REIT Management Limited (the “H-REIT Manager”) and DBS Trustee Limited (the “H-REIT Trustee”). The H-REIT Trust Deed is governed by the laws of the Republic of Singapore. The H-REIT Trustee is under a duty to take into custody and hold the assets of H-REIT held by it or through its subsidiaries in trust for the holders of units in H-REIT. HBT is a business trust constituted by a trust deed dated 12 June 2006 (as amended) (the “HBT Trust Deed”) and is managed by M&C Business Trust Management Limited (the “HBT Trustee-Manager”). The securities in each of H-REIT and HBT are stapled together under the terms of a stapling deed dated 12 June 2006 entered into between the H-REIT Manager, the H-REIT Trustee and the HBT Trustee-Manager (the “Stapling Deed”) and cannot be traded separately. Each stapled security in CDL Hospitality Trusts (the “Stapled Security”) comprises a unit in H-REIT (the “H-REIT Unit”) and a unit in HBT (the “HBT Unit”).

CDL Hospitality Trusts was formally admitted to the Official List of Singapore Exchange Securities Trading Limited (“SGX-ST”) on 19 July 2006.

The principal activity of H-REIT and its subsidiaries is to invest in income producing real estate and real estate related assets, which are used or primarily used for hospitality, hospitality related and other accommodation and/or lodging purposes globally.

The principal activity of HBT and its subsidiaries is to invest in diversified portfolio of real estate or development projects and real estate related assets, which are used or primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes globally, and shall also include the operation and management of the real estate assets.

The consolidated financial statements of the H-REIT Group relate to H-REIT and its subsidiaries. The consolidated financial statements of the HBT Group relate to HBT and its subsidiaries. The consolidated financial statements of the Stapled Group relate to the HBT Group and the H-REIT Group.

2 Basis of preparation

2.1 Statement of compliance

The condensed interim financial statements of the HBT Group have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore.

The condensed interim financial statements of the H-REIT Group and the Stapled Group are prepared in accordance with the Statement of Recommended Accounting Practice (“RAP”) 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes (the “CIS Code”) issued by the Monetary Authority of Singapore (“MAS”). RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of the Singapore Financial Reporting Standards (“FRS”).

The condensed interim financial statements do not include all of the information required for a complete set of financial statements prepared in accordance with FRS/SFRS(I) Standards and should be read in conjunction with the Stapled Group’s annual consolidated financial statements as at and for the year ended 31 December 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial positions and performances of the H-REIT Group, the HBT Group and the Stapled Group since the last annual financial statements.

These condensed interim financial statements are presented in Singapore dollars (“\$”), which is the functional currency of HBT and H-REIT. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

The accounting policies applied in these condensed interim financial statements are the same as those applied in the Stapled Group’s consolidated financial statements as at and for the year ended 31 December 2023, except for the adoption of amendments to FRS/SFRS(I) that are effective for annual period beginning on 1 January 2024. The adoption of revised standards did not have any material impact on these condensed interim financial statements.

2.2 Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods effected.

Information about critical judgements in applying accounting policies and assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the financial statements are described in the following notes:

- Note 3 – Valuation of investment properties
- Note 4 – Valuation of investment property under development
- Note 5 – Valuation of property, plant and equipment

Measurement of fair values

A number of the Stapled Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The H-REIT Manager and the HBT Trustee-Manager have an established control framework with respect to the measurement of fair values. This includes a team that regularly reviews significant unobservable inputs and reports directly to the Chief Financial Officer, who has overall responsibility for all significant fair value measurements.

The H-REIT Manager and the HBT Trustee-Manager regularly review significant unobservable inputs and valuation adjustments included in the fair value measurements. If third party information, such as broker quotes or pricing services, is used to measure fair value, then the H-REIT Manager and the HBT Trustee-Manager assess the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of FRS/SFRS(I), including the level in the fair value hierarchy the resulting fair value estimate should be classified.

When measuring the fair value of an asset or a liability, the H-REIT Manager and the HBT Trustee-Manager use market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: unobservable inputs for the assets or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

Transfers between levels of the fair value hierarchy are recognised as of the end of the financial period during which the change has occurred.

2.3 Seasonal operations

The businesses of the HBT Group, H-REIT Group and the Stapled Group are not affected significantly by seasonal or cyclical factors during the financial period.

3 Investment properties

	HBT Group		H-REIT Group		Stapled Group	
	30/06/2024	31/12/2023	30/06/2024	31/12/2023	30/06/2024	31/12/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January	–	–	2,750,215	2,631,976	2,232,899	2,104,672
Capital expenditure	–	–	15,513	32,363	11,553	23,226
Reclassified from investment properties under development ⁽¹⁾	155,942	–	–	–	155,054	–
Fair value changes (unrealised)	–	–	–	80,787	–	98,343
Straight-line rental adjustments	–	–	621	3,427	861	3,361
Adjustment to right-of-use assets	–	–	1,718	1,770	1,718	1,770
Translation differences	1,275	–	2,648	(108)	2,524	1,527
At 30 June 2024/ 31 December 2023	<u>157,217</u>	<u>–</u>	<u>2,770,715</u>	<u>2,750,215</u>	<u>2,404,609</u>	<u>2,232,899</u>

⁽¹⁾ The practical completion of the residential development work has been achieved on 4 June 2024 and known as the “The Castings”. It was thereafter reclassified from investment property under development (Note 4).

The straight-line rental adjustments represent the effect of recognising rental income on a straight-line basis over the lease term of the investment properties.

Security

At 30 June 2024, an investment property of the H-REIT Group and the Stapled Group with a carrying amount of \$154.0 million (31/12/2023: \$152.9 million) is pledged as security to secure a bank loan (Note 6).

Measurement of fair value

	HBT Group		H-REIT Group		Stapled Group	
	30/06/2024	31/12/2023	30/06/2024	31/12/2023	30/06/2024	31/12/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Fair value of investment properties	157,217	–	2,651,998	2,634,477	2,349,889	2,181,036
Add: Carrying amount of lease liabilities	–	–	118,717	115,738	54,720	51,863
Carrying amount of investment properties	<u>157,217</u>	<u>–</u>	<u>2,770,715</u>	<u>2,750,215</u>	<u>2,404,609</u>	<u>2,232,899</u>

The H-REIT Manager is of the view that the valuations of the investment properties as at 30 June 2024 remain substantially unchanged from those as at 31 December 2023 except to the extent of capital expenditure incurred during the six-month period ended 30 June 2024.

The carrying amounts of the investment properties as at 31 December 2023 were based on independent valuations undertaken by Knight Frank Pte Ltd for the Singapore properties, CBRE Valuations Pty Limited for Australia properties, CBRE Limited for the New Zealand property, C&W (U.K.) LLP (Italian Branch) for the Italian property, Colliers International Consultancy & Valuation (Singapore) Pte Ltd for the Maldives and United Kingdom properties, Colliers International Property Consultants Limited for the German property, as at that date. The independent valuers have appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued.

The valuations were based on the discounted cash flows and capitalisation methods, where appropriate. The valuation methods used in determining the fair value involve certain estimates including those relating to discount rate, terminal yield and capitalisation rate. The specific risks inherent in each of the properties are taken into consideration in arriving at the property valuation. In relying on the valuation reports, the H-REIT Manager has exercised its judgement and is satisfied that the valuation methods and estimates used are reflective of market conditions prevailing at the end of the reporting date.

Fair value hierarchy

The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used (see Note 2.2).

4 Investment property under development

	HBT Group		H-REIT Group		Stapled Group	
	30/06/2024	31/12/2023	30/06/2024	31/12/2023	30/06/2024	31/12/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January	131,423	59,660	–	–	131,423	59,660
Capital expenditure	22,760 ^(1,4)	62,491 ⁽¹⁾	–	–	21,872 ^(2,4)	60,597 ⁽²⁾
Fair value changes (unrealised)	–	6,735	–	–	–	8,629
Reclassified to investment properties ⁽³⁾	(155,942)	–	–	–	(155,054)	–
Translation differences	1,759	2,537	–	–	1,759	2,537
At 30 June 2024/31 December 2023	–	131,423	–	–	–	131,423

⁽¹⁾ Included capitalised interest cost of \$1,919,000 (31/12/2023: \$3,741,000).

⁽²⁾ Included capitalised interest cost of \$1,031,000 (31/12/2023: \$1,847,000).

⁽³⁾ The practical completion of the residential development work has been achieved on 4 June 2024 and known as the “The Castings”. It was subsequently reclassified to investment property (Note 3).

⁽⁴⁾ Included acquisition fee payable to the HBT Trustee-Manager of S\$1,289,000 in 2024.

Measurement of fair value

The carrying amount of the investment property under development as at 31 December 2023 was based on an independent valuation undertaken by Knight Frank LLP, as at that date. The independent valuer has appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The independent valuation for this investment property under development was carried out using the comparative and investment methods, of which the gross development value (assuming practical completion) was derived using the investment method. In determining the fair value of the investment property under development as at 31 December 2023, the total estimated outstanding capital expenditure and a 5% contingency was deducted from this gross development value. The specific risks inherent in the property are taken into consideration in arriving at the property valuation. In relying on the valuation report, the HBT Trustee-Manager has exercised its judgement and is satisfied that the valuation method and estimates used are reflective of market conditions prevailing at the end of the reporting date.

Fair value hierarchy

The fair value measurement for investment property under development has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (see Note 2.2).

5 Property, plant and equipment

	HBT Group		H-REIT Group		Stapled Group	
	30/06/2024	31/12/2023	30/06/2024	31/12/2023	30/06/2024	31/12/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At valuation/cost						
At 1 January	316,633	307,861	78,472	73,353	873,147	831,720
Additions	656	3,238	422	1,621	5,038	14,048
Disposal	–	–	–	–	–	(50)
Write-off	(42)	(410)	–	–	(42)	(410)
Additions of right-of-use assets	–	126	–	–	–	126
Adjustment to right-of-use assets	–	3	–	–	–	3
Translation differences	5,421	5,949	(6,572)	(6,164)	90	(1,361)
Revaluation surplus recognised in unitholders' funds/OCI	–	9,251	–	10,407	–	40,152
Reversal of revaluation deficit recognised in statement of total return/profit or loss	–	3,158	–	–	–	943
Elimination of accumulated depreciation on revaluation	(6,156)	(12,543)	(403)	(745)	(5,958)	(12,024)
At 30 June 2024/31 December 2023	<u>316,512</u>	<u>316,633</u>	<u>71,919</u>	<u>78,472</u>	<u>872,275</u>	<u>873,147</u>
Accumulated depreciation						
At 1 January	28,189	23,445	6,658	5,954	58,536	48,470
Depreciation	8,149	16,471	907	1,877	11,032	21,931
Disposal	–	–	–	–	–	(50)
Translation differences	632	816	(409)	(428)	453	209
Elimination of accumulated depreciation on revaluation	(6,156)	(12,543)	(403)	(745)	(5,958)	(12,024)
At 30 June 2024/31 December 2023	<u>30,814</u>	<u>28,189</u>	<u>6,753</u>	<u>6,658</u>	<u>64,063</u>	<u>58,536</u>
Carrying amounts	<u>285,698</u>	<u>288,444</u>	<u>65,166</u>	<u>71,814</u>	<u>808,212</u>	<u>814,611</u>
At valuation						
Land and buildings	<u>266,517</u>	<u>268,310</u>	<u>62,955</u>	<u>69,464</u>	<u>743,623</u>	<u>750,403</u>

Measurement of fair value

Freehold land, leasehold land and buildings included as part of property, plant and equipment are stated at their revalued amounts less accumulated depreciation and impairment losses. The land and buildings were last revalued as at 31 December 2023.

The carrying amounts of the properties as at 31 December 2023 were based on independent valuations undertaken by Cushman & Wakefield K.K. for the Japan properties, Colliers International Consultancy & Valuation (Singapore) Pte Ltd for the United Kingdom properties and Maldives property, Knight Frank Pte Ltd for Singapore property and CBRE Valuations Pty Limited for Australia properties, as at that date. The independent valuers have appropriate professional qualifications and recent experience in the location and category of the properties being valued.

The valuations were based on the discounted cash flow and capitalisation methods, where appropriate. The valuation methods used in determining the fair value involve certain estimates including those relating to discount rate, terminal yield and capitalisation rate. The specific risks inherent in each of the properties are taken into consideration in arriving at the property valuation. In relying on the valuation reports, the H-REIT Manager and HBT Trustee-Manager has exercised its judgement and is satisfied that the valuation methods and estimates used are reflective of market conditions prevailing at the end of the reporting date.

Fair value hierarchy

The fair value measurement for property, plant and equipment has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used (see Note 2.2).

6 Loans and borrowings

	HBT Group		H-REIT Group		Stapled Group	
	30/06/2024	31/12/2023	30/06/2024	31/12/2023	30/06/2024	31/12/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At amortised cost:						
Non-current						
Secured TMK bond	–	–	26,126	28,582	26,126	28,582
Secured bank loan	–	–	–	64,170	–	64,170
Unsecured bank loans	92,375	90,326	595,866	622,003	688,241	712,329
Lease liabilities	113,008	116,790	122,462	119,924	139,421	136,602
Loan from related entity	168,649	145,652	–	–	–	–
	<u>374,032</u>	<u>352,768</u>	<u>744,454</u>	<u>834,679</u>	<u>853,788</u>	<u>941,683</u>
Current						
Secured bank loan	–	–	63,834	–	63,834	–
Unsecured bank loans	–	–	417,038	347,213	417,038	347,213
Lease liabilities	9,304	8,896	1,018	960	1,127	1,100
	<u>9,304</u>	<u>8,896</u>	<u>481,890</u>	<u>348,173</u>	<u>481,999</u>	<u>348,313</u>
	<u>383,336</u>	<u>361,664</u>	<u>1,226,344</u>	<u>1,182,852</u>	<u>1,335,787</u>	<u>1,289,996</u>

Secured TMK bond

The Tokutei Mokutei Kaisha (“TMK”) 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.

Secured bank loan

As at the reporting date, an investment property (Note 3) and certain bank accounts in NKS Hospitality I B.V. (“NKS”), together with the Stapled Group’s shares in NKS, representing a 94.9% equity interest in NKS, are pledged as security for bank facilities granted to NKS.

7 Units/Stapled Securities in issue and to be issued

Units/Stapled Securities in issue and to be issued for the HBT Group, the H-REIT Group and the Stapled Group as follow:

	30/06/2024	31/12/2023
	'000	'000
Units/Stapled Securities in issue:		
At 1 January	1,245,832	1,237,020
Creation of Units/Stapled Securities:		
- H-REIT Manager's management fee paid in Stapled Securities	6,909	8,091
- HBT Trustee-Manager's management fee paid in Stapled Securities	643	721
At 30 June 2024/31 December 2023	<u>1,253,384</u>	<u>1,245,832</u>
Units/Stapled Securities to be issued:		
H-REIT Manager's management fees payable in Stapled Securities	3,842	5,429
HBT Trustee-Manager's management fees payable in Stapled Securities	357	463
At 30 June 2024/31 December 2023	<u>4,199</u>	<u>5,892</u>
Units/Stapled Securities, in issue and to be issued	<u>1,257,583</u>	<u>1,251,724</u>

8 Net asset value/Net tangible asset per Unit/Stapled Security

	HBT Group		H-REIT Group		Stapled Group		
	Note	30/06/2024	31/12/2023	30/06/2024	31/12/2023	30/06/2024	31/12/2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net asset value/Net tangible asset per Unit/Stapled Security is based on:							
Net assets attributable to holders of Stapled Securities		(1,753)	6,356	1,811,794	1,819,229	1,856,476	1,878,446
Total issued and to be issued Units/Stapled Securities	7	<u>1,257,583</u>	<u>1,251,724</u>	<u>1,257,583</u>	<u>1,251,724</u>	<u>1,257,583</u>	<u>1,251,724</u>

9 Revenue

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from contract with customers						
- Hotel revenue	70,762	67,601	–	–	70,762	67,601
Rental income						
- Fixed rent	–	–	36,470	35,472	30,532	29,572
- Variable rent	–	–	33,766	30,071	26,054	22,049
	<u>70,762</u>	<u>67,601</u>	<u>70,236</u>	<u>65,543</u>	<u>127,348</u>	<u>119,222</u>

Hotel revenue

Hotel revenue comprise mainly room and food and beverage and other hotel related services income. Hotel revenue is disaggregated by primary geographical markets in Singapore, Maldives, Japan, United Kingdom and Australia, which are the reportable segments of the HBT Group.

Rental income

Rental revenue for the H-REIT Group includes rental income from the HBT Group and related corporations of the H-REIT Manager of \$13,651,000 (30/06/2023: \$13,922,000) and \$38,619,000 (30/06/2023: \$34,393,000) respectively. Such revenue is attributable to the Maldives segment, New Zealand segment, Singapore segment, Japan segment and Australia segment.

Under the terms of the master lease agreements for the properties, the H-REIT Group is generally entitled to a fixed rent component and/or a variable rent component computed based on a certain percentage of the revenue and/or gross operating profit.

10 Management fees

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
H-REIT Manager's management fee						
- Base fee	–	–	3,685	3,440	3,685	3,440
- Performance fee	–	–	2,738	2,606	2,738	2,606
	<u>–</u>	<u>–</u>	<u>6,423</u>	<u>6,046</u>	<u>6,423</u>	<u>6,046</u>
HBT Trustee-Manager's management fee						
- Base fee	455	355	–	–	455	355
- Performance fee	195	180	–	–	195	180
	<u>650</u>	<u>535</u>	<u>–</u>	<u>–</u>	<u>650</u>	<u>535</u>

11 Finance income and finance costs

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2024	Six-month period ended 30/06/2023	Six-month period ended 30/06/2024	Six-month period ended 30/06/2023	Six-month period ended 30/06/2024	Six-month period ended 30/06/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Finance income						
Interest income under the effective interest method on:						
- cash and cash equivalents	41	39	143	395	184	434
- finance lease receivables	–	–	133	26	133	26
- loan to related entity	–	–	3,328	2,449	–	–
	41	39	3,604	2,870	317	460
Fair value gains on financial derivatives designated at fair value through profit or loss	–	–	2,254	–	2,254	–
	41	39	5,858	2,870	2,571	460
Finance costs						
Financial liabilities measured at amortised cost:						
- interest expense on:						
- loans and borrowings	(3,459)	(2,724)	(20,726)	(17,857)	(23,154)	(19,859)
- lease liabilities	(2,194)	(2,329)	(2,214)	(2,063)	(2,554)	(2,396)
- loan from related entity	(1,409)	(879)	–	–	–	–
- amortisation of transaction costs on loans and borrowings	(73)	(73)	(1,051)	(972)	(1,124)	(1,045)
- financial expense arising from accretion of non-current rental deposits	–	–	(141)	(136)	(141)	(136)
	(7,135)	(6,005)	(24,132)	(21,028)	(26,973)	(23,436)
Fair value losses on financial derivatives designated at fair value through profit or loss	–	–	–	(4,595)	–	(4,595)
Net foreign exchange losses	(4,036)	(7,314)	(3,486)	(658)	(5,527)	(3,051)
	(11,171)	(13,319)	(27,618)	(26,281)	(32,500)	(31,082)
Net finance costs	(11,130)	(13,280)	(21,760)	(23,411)	(29,929)	(30,622)

12 Tax expense

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2024	Six-month period ended 30/06/2023	Six-month period ended 30/06/2024	Six-month period ended 30/06/2023	Six-month period ended 30/06/2024	Six-month period ended 30/06/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current tax expense						
Current period	680	315	2,089	1,205	2,769	1,520
Over provision in prior periods	(14)	(312)	(421)	(847)	(435)	(1,159)
	<u>666</u>	<u>3</u>	<u>1,668</u>	<u>358</u>	<u>2,334</u>	<u>361</u>
Withholding tax	<u>197</u>	<u>192</u>	<u>591</u>	<u>648</u>	<u>787</u>	<u>840</u>
Deferred tax expense						
Origination and reversal of temporary differences	(310)	1,481	86	1,322	(223)	2,803
Tax expense	<u>553</u>	<u>1,676</u>	<u>2,345</u>	<u>2,328</u>	<u>2,898</u>	<u>4,004</u>

13 Loss/Total return

- (i) Loss/Total return for the period is arrived at after charging/(crediting) the following items:

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2024	Six-month period ended 30/06/2023	Six-month period ended 30/06/2024	Six-month period ended 30/06/2023	Six-month period ended 30/06/2024	Six-month period ended 30/06/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Audit fees	488	227	385	228	873	455
Impairment loss/(Reversal of impairment loss) on trade receivables	89	(2)	3	195	92	193
Operating expenses arising from rental of investment properties	–	–	6,987	5,588	4,385	3,144

(ii) Loss/Total return comprises loss/total return of

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
- H-REIT	–	–	21,059	19,896	21,059	19,896
- Other H-REIT Group entities*	–	–	8,604	5,616	8,604	5,616
- HBT	(10,929)	(10,205)	–	–	(10,929)	(10,205)
- Other HBT Group entities*	(2,301)	(5,720)	–	–	(2,301)	(5,720)
- Stapled Group's consolidation adjustments	–	–	–	–	(4,955)	(1,670)
	(13,230)	(15,925)	29,663	25,512	11,478	7,917

* including consolidation adjustments

14 Earnings per Stapled Security

Earnings per Stapled Security is based on:

	Stapled Group	
	Six-month period ended	Six-month period ended
	30/06/2024	30/06/2023
	\$'000	\$'000
Total return for the period attributable to holders of Stapled Securities	11,254	7,725
	Number of Stapled Securities	
	Six-month period ended	Six-month period ended
	30/06/2024	30/06/2023
	'000	'000
Weighted average number of Stapled Securities used in arriving at basic earnings per Stapled Security:		
- outstanding during the period	1,251,724	1,241,805
- to be issued as payment of H-REIT Manager's and/or HBT Trustee-Manager's management fees payable in Stapled Securities	849	659
	1,252,573	1,242,464
Weighted average number of Stapled Securities used in arriving at diluted earnings per Stapled Security:		
- weighted average number of Stapled Securities (basic)	1,252,573	1,242,464
- to be issued as payment of H-REIT Manager's and/or HBT Trustee-Manager's management fees payable in Stapled Securities	5,010	3,724
	1,257,583	1,246,188
Earnings per Stapled Security (cents)		
Basic	0.90	0.62
Diluted	0.90	0.62

15 Operating segments

Information about reportable segments

All the segments relate to properties operated as hotels and/or resorts.

	----- HBT Group -----					
	Singapore \$'000	Australia \$'000	Maldives \$'000	Japan \$'000	UK \$'000	Total \$'000
Six-month period ended 30 June 2024						
Hotel revenue – external	27,726	10,763	7,708	4,406	20,159	70,762
Reportable segment net property income	1,627	2,845	909	(40)	4,015	9,356
Depreciation of property, plant and equipment	(1,184)	(2,088)	(1,419)	–	(3,458)	(8,149)
Unallocated items:						
- HBT Trustee-Manager's management fee						(650)
- HBT Trustee-Manager's trustee fee						(182)
- Valuation fee						(39)
- Other expenses						(1,883)
- Finance income						41
- Finance costs						(11,171)
- Tax expense						(553)
Loss for the period						<u>(13,230)</u>
Other material non-cash items						
Impairment loss on trade receivables	(34)	–	–	–	(55)	(89)
Reportable segment assets						
Capital expenditure:						
- Property, plant and equipment	–	–	–	–	656	656
- Investment property under development	–	–	–	–	22,760	22,760
Non-current assets [^]	36,054	28,934	27,118	–	350,809	442,915

[^] Excluding deferred tax assets and other receivables.

	----- HBT Group -----					
	Singapore \$'000	Australia \$'000	Maldives \$'000	Japan \$'000	UK \$'000	Total \$'000
Six-month period ended 30 June 2023						
Hotel revenue – external	27,879	9,501	7,657	3,908	18,656	67,601
Reportable segment net property income	1,726	2,185	692	218	4,177	8,998
Depreciation of property, plant and equipment	(1,184)	(2,119)	(1,411)	–	(3,890)	(8,604)
Unallocated items:						
- HBT Trustee-Manager's management fee						(535)
- HBT Trustee-Manager's trustee fee						(142)
- Valuation fee						(20)
- Other expenses						(666)
- Finance income						39
- Finance costs						(13,319)
- Tax expense						(1,676)
Loss for the period						<u>(15,925)</u>
Other material non-cash items (Impairment loss)/Reversal of impairment loss on trade receivables	(31)	(1)	–	–	34	2
Reportable segment assets						
Capital expenditure:						
- Property, plant and equipment	–	–	–	–	2,400	2,400
- Investment property under development	–	–	–	–	30,396	30,396
Non-current assets [^]	<u>38,459</u>	<u>33,216</u>	<u>29,996</u>	<u>–</u>	<u>282,174</u>	<u>383,845</u>

[^] Excluding deferred tax assets and other receivables.

	----- H-REIT Group -----										
	Singapore \$'000	New Zealand \$'000	Australia \$'000	Germany \$'000	Maldives \$'000	Japan \$'000	Italy \$'000	UK \$'000	Total reportable segments \$'000	Others \$'000	Total \$'000
Six-month period ended 30 June 2024											
Rental revenue	42,291	3,143	2,422	4,471	6,592	2,395	2,745	2,192	66,251	3,985	70,236
Reportable segment net property income	38,123	3,143	1,845	3,959	5,977	2,262	2,565	2,192	60,066	3,050	63,116
Depreciation of property, plant and equipment	-	-	-	-	(206)	(701)	-	-	(907)	-	(907)
Unallocated items:											
- H-REIT Manager's management fee											(6,423)
- H-REIT Trustee's fee											(220)
- Valuation fee											(100)
- Other expenses											(1,698)
- Finance income											5,858
- Finance costs											(27,618)
- Tax expense											(2,345)
Total return for the period											<u>29,663</u>
Other material non-cash items											
Impairment loss on trade receivables	(3)	-	-	-	-	-	-	-	(3)	-	(3)
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	7,505	4,369	1,316	1,341	1,237	-	167	-	15,935	-	15,935
Non-current assets ^	<u>1,961,733</u>	<u>179,554</u>	<u>63,328</u>	<u>153,961</u>	<u>154,269</u>	<u>63,695</u>	<u>66,327</u>	<u>83,014</u>	<u>2,725,881</u>	<u>110,000</u>	<u>2,835,881</u>

^ Excluding deferred tax assets, financial derivative assets, finance lease receivables and other receivables.

	----- H-REIT Group -----										
	Singapore \$'000	New Zealand \$'000	Australia \$'000	Germany \$'000	Maldives \$'000	Japan \$'000	Italy \$'000	UK \$'000	Total reportable segments \$'000	Others \$'000	Total \$'000
Six-month period ended 30 June 2023											
Rental revenue	38,243	3,652	2,708	4,192	6,590	1,705	2,613	2,032	61,735	3,808	65,543
Reportable segment net property income	35,626	3,652	2,087	3,581	5,971	1,572	2,469	2,032	56,990	2,832	59,822
Depreciation of property, plant and equipment	-	-	-	-	(94)	(700)	-	-	(794)	-	(794)
Unallocated items:											
- H-REIT Manager's management fee											(6,046)
- H-REIT Trustee's fee											(201)
- Valuation fee											(86)
- Other expenses											(1,444)
- Finance income											2,870
- Finance costs											(26,281)
- Tax expense											(2,328)
Total return for the period											<u>25,512</u>
Other material non-cash items											
Impairment loss on trade receivables	(195)	-	-	-	-	-	-	-	(195)	-	(195)
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	6,767	376	477	261	2,575	266	1,473	-	12,195	-	12,195
Non-current assets ^	<u>1,827,449</u>	<u>196,455</u>	<u>67,123</u>	<u>155,036</u>	<u>168,633</u>	<u>62,145</u>	<u>60,978</u>	<u>79,749</u>	<u>2,617,568</u>	<u>100,118</u>	<u>2,717,736</u>

^ Excluding deferred tax assets, financial derivative assets, finance lease receivables and other receivables.

	----- Stapled Group -----										
	Singapore \$'000	New Zealand \$'000	Australia \$'000	Germany \$'000	Maldives \$'000	Japan \$'000	Italy \$'000	UK \$'000	Total reportable segments \$'000	Others \$'000	Total \$'000
Six-month period ended 30 June 2024											
Rental revenue	35,476	3,143	–	4,471	4,574	–	2,745	2,192	52,601	3,985	56,586
Hotel revenue	27,726	–	10,763	–	7,708	4,406	–	20,159	70,762	–	70,762
Revenue – external	63,202	3,143	10,763	4,471	12,282	4,406	2,745	22,351	123,363	3,985	127,348
Reportable segment net property income	38,251	3,143	2,268	3,959	4,868	2,222	2,565	6,207	63,483	3,050	66,533
Depreciation of property, plant and equipment	(4,064)	–	(1,074)	–	(1,735)	(701)	–	(3,458)	(11,032)	–	(11,032)
Unallocated items:											
- H-REIT Manager's management fee											(6,423)
- H-REIT Trustee's fee											(220)
- HBT Trustee-Manager's management fee											(650)
- HBT Trustee-Manager's trustee fee											(182)
- Valuation fee											(139)
- Other expenses											(3,582)
- Finance income											2,571
- Finance costs											(32,500)
- Tax expense											(2,898)
Total return for the period											<u>11,478</u>
Other material non-cash items											
Impairment loss on trade receivables	(37)	–	–	–	–	–	–	(55)	(92)	–	(92)
Reportable segment assets											
Capital expenditure:											
- Investment properties and property, plant and equipment	7,505	4,369	1,316	1,341	1,237	–	167	656	16,591	–	16,591
- Investment property under development	–	–	–	–	–	–	–	21,872	21,872	–	21,872
Non-current assets [^]	1,970,833	179,554	71,962	153,961	163,553	63,695	66,327	432,936	3,102,821	110,000	3,212,821

[^] Excluding deferred tax assets, financial derivative assets, finance lease receivables and other receivables.

	----- Stapled Group -----										
	Singapore \$'000	New Zealand \$'000	Australia \$'000	Germany \$'000	Maldives \$'000	Japan \$'000	Italy \$'000	UK \$'000	Total reportable segments \$'000	Others \$'000	Total \$'000
Six-month period ended 30 June 2023											
Rental revenue	30,742	3,652	–	4,192	4,582	–	2,613	2,032	47,813	3,808	51,621
Hotel revenue	27,879	–	9,501	–	7,657	3,908	–	18,656	67,601	–	67,601
Revenue – external	58,621	3,652	9,501	4,192	12,239	3,908	2,613	20,688	115,414	3,808	119,222
Reportable segment net property income	35,849	3,652	1,816	3,581	4,656	1,790	2,469	6,209	60,022	2,832	62,854
Depreciation of property, plant and equipment	(3,907)	–	(1,016)	–	(1,709)	(700)	–	(3,890)	(11,222)	–	(11,222)
Unallocated items:											
- H-REIT Manager's management fee											(6,046)
- H-REIT Trustee's fee											(201)
- HBT Trustee-Manager's management fee											(535)
- HBT Trustee-Manager's trustee fee											(142)
- Valuation fee											(106)
- Other expenses											(2,059)
- Finance income											460
- Finance costs											(31,082)
- Tax expense											(4,004)
Total return for the period											<u>7,917</u>
Other material non-cash items											
(Impairment loss)/Reversal of impairment loss on trade receivables	(226)	–	(1)	–	–	–	–	34	(193)	–	(193)
Reportable segment assets											
Capital expenditure:											
- Investment properties and property, plant and equipment	6,767	376	477	261	2,625	266	1,473	2,400	14,645	–	14,645
- Investment property under development	–	–	–	–	–	–	–	29,548	29,548	–	29,548
Non-current assets [^]	1,826,923	196,455	68,571	155,036	171,788	62,145	60,978	361,076	2,902,972	100,118	3,003,090

[^] Excluding deferred tax assets, financial derivative assets, finance lease receivables and other receivables.

16 Fair value of assets and liabilities

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are detailed below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount				Fair value			
	Amortised cost \$'000	Fair value – hedging instruments \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
HBT Group								
At 30 June 2024								
Financial assets not measured at fair value								
Trade and other receivables ⁽¹⁾	22,139	–	–	22,139				
Cash and cash equivalents	17,748	–	–	17,748				
	<u>39,887</u>	<u>–</u>	<u>–</u>	<u>39,887</u>				
Financial liabilities not measured at fair value								
Unsecured bank loans	–	–	(92,375)	(92,375)	–	(92,375)	–	(92,375)
Loan from related entity	–	–	(168,649)	(168,649)				
Trade and other payables ⁽²⁾	–	–	(78,680)	(78,680)				
Rental deposits	–	–	(5)	(5)	–	–	(5)	(5)
	<u>–</u>	<u>–</u>	<u>(339,709)</u>	<u>(339,709)</u>				

⁽¹⁾ Excluding prepayments

⁽²⁾ Excluding deferred income

	Carrying amount			Fair value				
	Amortised cost \$'000	Fair value – hedging instruments \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
HBT Group								
At 31 December 2023								
Financial assets not measured at fair value								
Trade and other receivables ⁽¹⁾	22,287	–	–	22,287				
Cash and cash equivalents	14,798	–	–	14,798				
	<u>37,085</u>	<u>–</u>	<u>–</u>	<u>37,085</u>				
Financial liabilities not measured at fair value								
Unsecured bank loans	–	–	(90,326)	(90,326)	–	(90,326)	–	(90,326)
Loan from related entity	–	–	(145,652)	(145,652)				
Trade and other payables ⁽²⁾	–	–	(63,567)	(63,567)				
Rental deposits	–	–	(5)	(5)	–	–	(5)	(5)
	<u>–</u>	<u>–</u>	<u>(299,550)</u>	<u>(299,550)</u>				

⁽¹⁾ Excluding prepayments

⁽²⁾ Excluding deferred income

	Carrying amount				Fair value			
	Amortised cost \$'000	Fair value – hedging instruments \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
H-REIT Group								
At 30 June 2024								
Financial assets not measured at fair value								
Finance lease receivables	4,762	–	–	4,762				
Trade and other receivables ⁽¹⁾	218,939	–	–	218,939				
Cash and cash equivalents	47,175	–	–	47,175				
	<u>270,876</u>	<u>–</u>	<u>–</u>	<u>270,876</u>				
Financial assets measured at fair value								
Financial derivative assets	–	15,770	–	15,770	–	15,770	–	15,770
Financial liabilities measured at fair value								
Financial derivative liabilities	–	(486)	–	(486)	–	(486)	–	(486)
Financial liabilities not measured at fair value								
Secured TMK bond	–	–	(26,126)	(26,126)	–	(25,895)	–	(25,895)
Secured bank loan	–	–	(63,834)	(63,834)	–	(62,576)	–	(62,576)
Unsecured bank loans	–	–	(1,012,904)	(1,012,904)	–	(1,009,062)	–	(1,009,062)
Trade and other payables ⁽²⁾	–	–	(44,490)	(44,490)				
Rental deposits	–	–	(11,820)	(11,820)	–	–	(11,361)	(11,361)
	<u>–</u>	<u>–</u>	<u>(1,159,174)</u>	<u>(1,159,174)</u>				

⁽¹⁾ Excluding prepayments

⁽²⁾ Excluding deferred income

	Carrying amount			Fair value				
	Amortised cost \$'000	Fair value – hedging instruments \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
H-REIT Group								
At 31 December 2023								
Financial assets not measured at fair value								
Finance lease receivables	5,145	–	–	5,145				
Trade and other receivables ⁽¹⁾	186,407	–	–	186,407				
Cash and cash equivalents	57,202	–	–	57,202				
	248,754	–	–	248,754				
Financial assets measured at fair value								
Financial derivative assets	–	14,510	–	14,510	–	14,510	–	14,510
Financial liabilities measured at fair value								
Financial derivative liabilities	–	(1,506)	–	(1,506)	–	(1,506)	–	(1,506)
Financial liabilities not measured at fair value								
Secured TMK bond	–	–	(28,582)	(28,582)	–	(28,335)	–	(28,335)
Secured bank loan	–	–	(64,170)	(64,170)	–	(62,457)	–	(62,457)
Unsecured bank loans	–	–	(969,216)	(969,216)	–	(966,959)	–	(966,959)
Trade and other payables ⁽²⁾	–	–	(44,457)	(44,457)				
Rental deposits	–	–	(11,784)	(11,784)	–	–	(11,243)	(11,243)
	–	–	(1,118,209)	(1,118,209)				

⁽¹⁾ Excluding prepayments

⁽²⁾ Excluding deferred income

	Carrying amount			Fair value				
	Amortised cost \$'000	Fair value – hedging instruments \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Stapled Group								
At 30 June 2024								
Financial assets not measured at fair value								
Finance lease receivables	4,762	–	–	4,762				
Trade and other receivables ⁽¹⁾	28,375	–	–	28,375				
Cash and cash equivalents	64,923	–	–	64,923				
	98,060	–	–	98,060				
Financial assets measured at fair value								
Financial derivative assets	–	15,770	–	15,770	–	15,770	–	15,770
Financial liabilities measured at fair value								
Financial derivative liabilities	–	(486)	–	(486)	–	(486)	–	(486)
Financial liabilities not measured at fair value								
Secured TMK bond	–	–	(26,126)	(26,126)	–	(25,895)	–	(25,895)
Secured bank loan	–	–	(63,834)	(63,834)	–	(62,576)	–	(62,576)
Unsecured bank loans	–	–	(1,105,279)	(1,105,279)	–	(1,101,437)	–	(1,101,437)
Trade and other payables ⁽²⁾	–	–	(69,107)	(69,107)				
Rental deposits	–	–	(11,825)	(11,825)	–	–	(11,366)	(11,366)
	–	–	(1,276,171)	(1,276,171)				

⁽¹⁾ Excluding prepayments

⁽²⁾ Excluding deferred income

	Carrying amount			Fair value				
	Amortised cost \$'000	Fair value – hedging instruments \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Stapled Group								
At 31 December 2023								
Financial assets not measured at fair value								
Finance lease receivables	5,145	–	–	5,145				
Trade and other receivables ⁽¹⁾	20,785	–	–	20,785				
Cash and cash equivalents	72,000	–	–	72,000				
	97,930	–	–	97,930				
Financial assets measured at fair value								
Financial derivative assets	–	14,510	–	14,510	–	14,510	–	14,510
	–	14,510	–	14,510	–	14,510	–	14,510
Financial liabilities measured at fair value								
Financial derivative liabilities	–	(1,506)	–	(1,506)	–	(1,506)	–	(1,506)
	–	(1,506)	–	(1,506)	–	(1,506)	–	(1,506)
Financial liabilities not measured at fair value								
Secured TMK bond	–	–	(28,582)	(28,582)	–	(28,335)	–	(28,335)
Secured bank loan	–	–	(64,170)	(64,170)	–	(62,457)	–	(62,457)
Unsecured bank loans	–	–	(1,059,542)	(1,059,542)	–	(1,057,285)	–	(1,057,285)
Trade and other payables ⁽²⁾	–	–	(55,975)	(55,975)				
Rental deposits	–	–	(11,789)	(11,789)	–	–	(11,248)	(11,248)
	–	–	(1,220,058)	(1,220,058)	–	–	(11,248)	(11,248)

⁽¹⁾ Excluding prepayments

⁽²⁾ Excluding deferred income

17 Commitments

	HBT Group		H-REIT Group		Stapled Group	
	30/06/2024	31/12/2023	30/06/2024	31/12/2023	30/06/2024	31/12/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(a) Capital expenditure contracted but not provided for	1,686	13,432	7,191	9,842	8,876	23,274

In 2021, HBT's subsidiary, CDL HBT Investments (I) Property Limited, entered into a Development Funding Agreement with an external party to redevelop a plot of land in Manchester, United Kingdom into a residential build-to-rent. The development project achieved its practical completion on 4 June 2024 (Note 4).

- (b) Under the terms of the lease agreements for certain properties, the H-REIT Group and the Stapled Group are required to incur expenditure equivalent to 2.5% to 4.0% of the gross revenue to maintain and improve the hotel's or resort's furniture and fixtures, equipment and its environment. As at 30 June 2024, the H-REIT Group and the Stapled Group are committed to incur capital expenditure of \$4,438,000 (31/12/2023: \$7,177,000) under the terms of the lease agreements.
- (c) HBT's subsidiary, CDL HBT Cambridge City Hotel (UK) Ltd, holds a leasehold land, with a 125-year lease granted by the Cambridge City Council commencing on 25 December 1990 (the "Head Lease"). The lease term may be extended for a further term of 50 years pursuant to the lessee's option to renew under the Head Lease. Lease payment under this lease is variable, being a percentage of gross revenue and subject to a minimum value that is itself a function of the aggregate rent paid over the previous 3 years.

Lease liabilities and a corresponding ROU asset were recognised in the financial statements based on present value of the minimum lease payments. The variable lease payments not included in the measurement of the lease liabilities are recognised in profit or loss or statement of total return (as the case may be). No variable lease payment being recorded for the six-month ended 30 June 2024 and 2023.

- (d) H-REIT holds a leasehold building, with a remaining 99 years lease granted by Sentosa Development Corporation commencing on 31 October 2006. Lease payment under this lease is variable, being a percentage of gross revenue and subject to a minimum value.

Lease liabilities and a corresponding ROU asset were recognised in the financial statements based on present value of the minimum lease payments. The variable lease payments not included in the measurement of the lease liabilities are recognised in profit or loss or statement of total return (as the case may be). For the six-month ended 30 June 2024, the Stapled Group recorded variable lease payments of \$664,000 (30/6/2023: \$673,000).

- (e) The Stapled Group has entered into several agreements in 2020, including:
- a development and sale agreement to acquire a brand new lifestyle hotel from a related corporation for a purchase price equal to the lower of the fixed price of \$475.0 million or 110% of the vendor's actual development cost. The transaction is expected to be completed in 2026.
 - a sale and purchase agreement to acquire 100% of shares in a hotel operating company from a related corporation for a consideration equal to the acquiree's net asset value at acquisition date plus partial reimbursement of pre-opening costs incurred, subject to a maximum of \$3.1 million. The transaction is expected to be completed in 2026.

18 Related party transactions

In the normal course of the operations of HBT, the HBT Trustee-Manager's trustee, management and acquisition fees have been paid or are payable to the HBT Trustee-Manager.

In the normal course of the operations of H-REIT, the H-REIT Manager's management and acquisition fees and H-REIT Trustee's fee have been paid or are payable to the H-REIT Manager and H-REIT Trustee respectively.

During the financial period, other than the transactions disclosed elsewhere in the financial statements, there were the following related party transactions:

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
	30/06/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Related corporations of the H-REIT Manager and HBT Trustee-Manager						
Rental income received/receivable	–	–	38,861	34,375	38,861	34,375
Rental expense paid/payable	41	40	516	415	557	455
Shared service expenses paid/payable	106	89	287	278	393	367
Corporate secretarial services fee paid/payable	31	27	59	56	90	83
Management fee paid/payable	77	38	–	–	77	38
Advisory fee paid/payable	29	31	–	–	29	31

19 Financial ratios

	H-REIT Group		Stapled Group	
	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	%	%	%	%
Expenses to weighted average net assets ¹				
- including performance component of H-REIT Manager's management fees ²	0.94	0.80	1.21	0.94
- excluding performance component of H-REIT Manager's management fees ²	0.63	0.50	0.89	0.63

¹ The annualised ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the H-REIT Group and the Stapled Group, excluding property expenses, interest expense and income tax expense of each entity, where applicable.

² Excluding acquisition fee and costs associated with the acquisition of a property.

20 Subsequent events

Subsequent to the reporting date, there were the following events:

- (i) the HBT Trustee-Manager and the H-REIT Manager declared a distribution of 2.51 cents per Stapled Security to Stapled Securityholders in respect of the period from 1 January 2024 to 30 June 2024.
- (ii) 1,549,634 Stapled Securities, amounting to \$1,480,831 were issued as satisfaction of the H-REIT Manager's base fee for the period from 1 April 2024 to 30 June 2024.
- (iii) 194,306 Stapled Securities, amounting to \$185,679 were issued as satisfaction of the HBT Trustee-Manager's base fee for the period from 1 April 2024 to 30 June 2024.

Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed interim financial statements of CDL Hospitality Business Trust (“HBT”) and its subsidiaries (the “HBT Group”) which comprise the Statement of Financial Position as at 30 June 2024, the Statement of Total Return and Statement of Comprehensive Income, Statement of Movements in Stapled Securityholders’ Funds and Statement of Cash Flows of the HBT Group for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

The condensed interim financial statements of CDL Hospitality Real Estate Investment Trust (“H-REIT”) and its subsidiaries (the “H-REIT Group”) which comprise the Statement of Financial Position and Portfolio Statement as at 30 June 2024, the Statement of Total Return, Statement of Movements in Stapled Securityholders’ Funds and Statement of Cash Flows of the H-REIT Group for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

The condensed interim financial statements of CDL Hospitality Trusts (“CDLHT”) which comprise the Statement of Financial Position and Portfolio Statement as at 30 June 2024, the Statement of Total Return, Distribution Statement, Statement of Movements in Stapled Securityholders’ Funds and Statement of Cash Flows of CDL Hospitality Trusts for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Please refer to “First Half 2024 Summary of Group Performance” Section 2, page 10 to 17 of CDL Hospitality Trusts for the six-month period ended 30 June 2024.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Please refer to “First Half 2024 Summary of Group Performance” Section 3, page 17 of CDL Hospitality Trusts for the six-month period ended 30 June 2024.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

Please refer to “First Half 2024 Summary of Group Performance” Section 4, page 18 of CDL Hospitality Trusts for the six-month period ended 30 June 2024.

5. Distributions

5(a) Current financial period

Any distributions declared for the current financial period? Yes
 Period of distribution: Distribution for 1 January 2024 to 30 June 2024

Distribution Type	Amount (cents per Stapled Security)
Taxable Income	2.07
Capital	0.44
Total	2.51

5(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period? Yes
 Period of distribution: Distribution for 1 January 2023 to 30 June 2023

Distribution Type	Amount (cents per Stapled Security)
Taxable Income	2.10
Tax Exempt Income	0.15
Capital	0.26
Total	2.51

5(c) Tax rate

Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their units through a partnership) will 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.

5(d) Book closure date

5.00 p.m. on 7 August 2024

5(e) Date payable

30 August 2024

6. General mandate for Interested Person Transactions

CDL Hospitality Trusts has not obtained a general mandate from Stapled Securityholders for Interested Person Transactions.

7. Confirmation pursuant to Rule 705(5) of the Listing Manual

We, on behalf of the directors of M&C REIT Management Limited (as Manager of CDL Hospitality Real Estate Investment Trust) (“**H-REIT Manager**”) and M&C Business Trust Management Limited (as Trustee-Manager of CDL Hospitality Business Trust) (“**HBT Trustee-Manager**”), hereby confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors of H-REIT Manager and HBT Trustee-Manager which may render the unaudited financial results of CDL Hospitality Trusts for the six months ended 30 June 2024 to be false or misleading in any material respect.

8. 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.

On behalf of the Board of Directors

CHAN SOON HEE ERIC
Chairman

VINCENT YEO WEE ENG
Chief Executive Officer

30 July 2024

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 July 2024

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 July 2024