

About Ascendas Hospitality Trust

Ascendas Hospitality Trust (“A-HTRUST”) is a stapled trust comprising Ascendas Hospitality Real Estate Investment Trust (“A-HREIT”) and Ascendas Hospitality Business Trust (“A-HBT”). A-HTRUST was listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 27 July 2012.

A-HTRUST is established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate used predominantly for hospitality purposes globally, as well as real estate-related assets in connection with the foregoing.

A-HTRUST has a portfolio of 14 quality hotels across Australia, Japan, Singapore and Korea of approximately 4,700 rooms.

Hotel	Country/City	Number of rooms
Courtyard by Marriott Sydney – North Ryde	Australia/Sydney	196
Pullman Sydney Hyde Park	Australia/Sydney	241
Novotel Sydney Central	Australia/Sydney	255
Novotel Sydney Parramatta	Australia/Sydney	194
Pullman and Mercure Melbourne Albert Park	Australia/Melbourne	378
Pullman and Mercure Brisbane King George Square	Australia/Brisbane	438
Hotel Sunroute Ariake	Japan/Tokyo	912
Sotetsu Grand Fresa Osaka-Namba (“Namba Hotel”) ¹	Japan/Osaka	698
Hotel WBF Kitasemba West (“WBF West”)	Japan/Osaka	168
Hotel WBF Kitasemba East (“WBF East”)	Japan/Osaka	168
Hotel WBF Honmachi (“WBF Honmachi”)	Japan/Osaka	182

Hotel	Country/City	Number of rooms
Park Hotel Clarke Quay	Singapore	336
The Splaisir Seoul Dongdaemun (“Splaisir Dongdaemun”)	Korea/Seoul	215
ibis Ambassador Seoul Insadong (“ibis Insadong”)	Korea/Seoul	363

¹ Previously known as Hotel Sunroute Osaka Namba.

A-HTRUST is managed by Ascendas Hospitality Trust Management Pte. Ltd. (the “Trustee-Manager”) and Ascendas Hospitality Fund Management Pte. Ltd. (the “REIT Manager”) (Trustee-Manager and REIT Manager collectively “Managers”).

Change of Financial Year End

Following the approval by Stapled Securityholders of A-HTRUST at the annual general meeting held on 10 July 2019, A-HTRUST changed its financial year end from 31 March to 31 December. The current financial year will be a 9-month period from 1 April 2019 to 31 December 2019. Thereafter, A-HTRUST’s financial year will be a 12-month period ending on 31 December each year.

Distribution Policy

A-HTRUST’s distribution policy is to distribute at least 90% of its distributable income with the actual level of distribution to be determined at the Managers’ discretion.

Following the change of financial year end, distribution periods for the current financial year will be for a 6-month period from 1 April 2019 and ending 30 September 2019 and a 3-month period from 1 October 2019 and ending 31 December 2019. Thereafter, the distributions shall be made on a semi-annual basis for every 6-month period ending 30 June and 31 December each year.

FINANCIAL REVIEW OF A-HTRUST FOR THE FIRST QUARTER ENDED 30 JUNE 2019
1(a)(i) Consolidated statements of net income for 1Q FY2019 and 1Q FY2018/19

	1 April 2019 to 30 June 2019			1 April 2018 to 30 June 2018			Variance [increase(+)/decrease(-)]		
Note	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
Continuing operations									
Gross revenue	46,511	8,575	41,568	44,923	6,928	41,334	3.5	23.8	0.6
Gross rental revenue	33,877	8,500	28,947	32,103	6,546	28,777	5.5	29.9	0.6
Food and beverage revenue	9,782	-	9,782	9,547	-	9,547	2.5	-	2.5
Other income	2,852	75	2,839	3,273	382	3,010	(12.9)	(80.4)	(5.7)
Property expenses	(25,260)	(664)	(24,575)	(26,223)	(384)	(29,059)	(3.7)	72.9	(15.4)
Operations and maintenance expenses	(4,335)	(37)	(4,298)	(4,177)	13	(4,190)	3.8	NM	2.6
Hotel management fee	(1,029)	-	(1,029)	(1,138)	-	(1,138)	(9.6)	-	(9.6)
Property taxes and insurance	(963)	(503)	(460)	(719)	(379)	(340)	33.9	32.7	35.3
Services and other taxes	(669)	(1)	(668)	(1,527)	-	(1,527)	(56.2)	NM	(56.3)
Administrative and general expenses	(2,197)	(119)	(2,078)	(2,087)	(75)	(2,012)	5.3	58.7	3.3
Sales and marketing expenses	(1,771)	-	(1,771)	(1,671)	-	(1,671)	6.0	-	6.0
Staff costs	(12,125)	-	(12,125)	(12,336)	-	(12,336)	(1.7)	-	(1.7)
Energy and utilities expenses	(1,296)	(4)	(1,292)	(1,257)	57	(1,314)	3.1	NM	(1.7)
Other expenses	(875)	-	(854)	(1,311)	-	(4,531)	(33.3)	-	(81.2)
Net property income	21,251	7,911	16,993	18,700	6,544	12,275	13.6	20.9	38.4
Depreciation	(5,519)	-	(5,519)	(5,883)	-	(5,883)	(6.2)	-	(6.2)
Finance income	197	1	196	160	-	160	23.1	NM	22.5
Finance costs	(3,128)	(684)	(2,444)	(3,377)	(388)	(2,989)	(7.4)	76.3	(18.2)
Finance costs (SFRS(I) 16)	-	-	(2,497)	-	-	-	-	-	NM
Fund management fees	(2,215)	(903)	(1,312)	(2,009)	(707)	(1,302)	10.3	27.7	0.8
Trustees' fees	(166)	(49)	(117)	(174)	(41)	(133)	(4.6)	19.5	(12.0)
Foreign exchange (loss)/gain, net	(977)	225	(1,202)	236	40	196	NM	NM	NM
Other trust expenses	(388)	(132)	(256)	(435)	(144)	(291)	(10.8)	(8.3)	(12.0)
Net change in fair value of derivative financial instruments	(845)	(285)	(560)	(26)	(117)	91	NM	143.6	NM
Net change in fair value of right-of-use asset (SFRS(I) 16)	-	-	(1,094)	-	-	-	-	-	NM
Net change in fair value of investment securities	-	(83)	-	-	(125)	-	-	(33.6)	-
Profit before tax from continuing operations	8,210	6,001	2,188	7,192	5,062	2,124	14.2	18.5	3.0

NM - Not Meaningful

1(a)(i) Consolidated statements of net income for 1Q FY2019 and 1Q FY2018/19 (cont'd)

	1 April 2019 to 30 June 2019			1 April 2018 to 30 June 2018			Variance [increase(+)/decrease(-)]		
Note	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
Income tax expense	(1,293)	(161)	(1,132)	(1,307)	(275)	(1,032)	(1.1)	(41.5)	9.7
Profit from continuing operations, net of tax	6,917	5,840	1,056	5,885	4,787	1,092	17.5	22.0	(3.3)
<u>Discontinued operations</u>									
Profit from discontinued operations, net of tax (d)	-	-	-	149,478	-	149,478	NM	-	NM
Profit for the quarter	6,917	5,840	1,056	155,363	4,787	150,570	(95.5)	22.0	(99.3)
Profit attributable to Stapled Securityholders of the Trust:									
- Profit from continuing operations, net of tax	6,898	5,840	1,022	5,880	4,787	1,089			
- Profit from discontinued operations, net of tax	-	-	-	149,478	-	149,478			
	6,898	5,840	1,022	155,358	4,787	150,567			
Profit attributable to non-controlling interests:									
- Profit from continuing operations, net of tax	19	-	34	5	-	3			

NM - Not Meaningful

1(a)(ii) Consolidated statements of comprehensive income for 1Q FY2019 and 1Q FY2018/19

	Note	1 April 2019 to 30 June 2019			1 April 2018 to 30 June 2018			Variance [increase(+)/decrease(-)]		
		A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
Profit for the quarter		6,917	5,840	1,056	155,363	4,787	150,570	(95.5)	22.0	(99.3)
Items that may be reclassified subsequently to profit or loss:										
Cash flow hedges - fair value (loss)/gain		(440)	(25)	(415)	834	-	834	NM	NM	NM
Cash flow hedges - reclassification to profit or loss upon settlement		-	-	-	979	-	979	NM	-	NM
Foreign currency translation (loss)/gain, net	(e)	(1,375)	4,758	(6,133)	(6,171)	(1,714)	(4,457)	(77.7)	NM	37.6
		(1,815)	4,733	(6,548)	(4,358)	(1,714)	(2,644)	(58.4)	NM	147.7
Item that will not be reclassified to profit or loss:										
Revaluation surplus on freehold land and building		25	-	25	83	-	83	(69.9)	-	(69.9)
Other comprehensive income for the quarter, net of tax		(1,790)	4,733	(6,523)	(4,275)	(1,714)	(2,561)	(58.1)	NM	154.7
Total comprehensive income for the quarter, net of tax		5,127	10,573	(5,467)	151,088	3,073	148,009	(96.6)	NM	NM
Total comprehensive income for the quarter attributable to Stapled Securityholders of the Trust:										
- Total comprehensive income from continuing operations, net of tax		5,183	10,573	(5,390)	466	3,073	(2,606)			
- Total comprehensive income from discontinued operations, net of tax		-	-	-	150,643	-	150,643			
		5,183	10,573	(5,390)	151,109	3,073	148,037			
Total comprehensive income for the quarter attributable to non-controlling interests:										
- Total comprehensive income from continuing operations, net of tax		(56)	-	(77)	(21)	-	(28)			

NM - Not Meaningful

Consolidated distribution statements for 1Q FY2019 and 1Q FY2018/19

1 April 2019 to 30 June 2019				1 April 2018 to 30 June 2018			Variance [increase(+)/decrease(-)]		
Note	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
Profit for the quarter attributable to Stapled Securityholders of the Trust	6,898	5,840	1,022	155,358	4,787	150,567	(95.6)	22.0	(99.3)
Add/(less):									
REIT manager's management fee payable in Stapled Securities	452	452	-	353	353	-	28.0	28.0	-
Trustee-manager's management fee payable in Stapled Securities	655	-	655	651	-	651	0.6	-	0.6
Depreciation	5,519	-	5,519	5,883	-	5,883	(6.2)	-	(6.2)
Foreign exchange loss/(gain), net	1,009	(159)	1,168	217	(11)	228	NM	NM	NM
Net change in fair value on derivative financial instruments	(c) 845	285	560	26	117	(91)	NM	143.6	NM
Net change in fair value of investment securities	-	83	-	-	125	-	-	(33.6)	-
Partial distribution from disposal gain of China Group	-	-	-	1,770	-	1,770	NM	-	NM
Gain on disposal of China Group	-	-	-	(148,096)	-	(148,096)	NM	-	NM
Others	231	46	200	285	6	277	(18.9)	NM	(27.8)
Income available for distribution at end of quarter (before deducting income retained for working capital)	15,609	6,547	9,124	16,447	5,377	11,189	(5.1)	21.8	(18.5)
Less:									
Income retained for working capital	(f) (1,046)	(458)	(588)	(1,155)	-	(1,155)	(9.4)	NM	(49.1)
Income available for distribution at end of quarter (after deducting income retained for working capital)	14,563	6,089	8,536	15,292	5,377	10,034	(4.8)	13.2	(14.9)

NM - Not Meaningful

Notes:

- (a) *Ascendas Ariake Godo Kaisha ("AAGK"), a subsidiary of A-HBT, leases Hotel Sunroute Ariake from Ascendas Hospitality Tokutei Mokuteki Kaisha, a subsidiary of A-HREIT. SFRS(I) 16 requires AAGK to recognise a right-of-use ("ROU") asset and lease liability on balance sheet relating to this operating lease with effect from 1 April 2019. The straight-line operating lease payment has been replaced with net change in fair value of ROU asset and finance costs on lease liabilities in statement of net income. Please refer to Note 5 on page 23 for details.*
- (b) *The net foreign exchange (loss)/gain mainly arose from the revaluation of shareholders' loans denominated in AUD extended from A-HBT to its subsidiaries, in accordance with SFRS(I) 1-21.*
- (c) *This related mainly to mark-to-market of foreign currency forward contracts which were entered into to hedge foreign currency risk exposures arising mostly from AUD and JPY distribution income.*
- (d) *The disposal of A-HBT's entire interest in Ascendas China Hotel Investment Limited and Ascendas Hospitality China Pte. Ltd. (collectively, the "China Group") was completed on 18 May 2018. Please refer to Note (c) on page 15 for more details.*

	1 April 2019 to 30 June 2019	1 April 2018 to 30 June 2018
	China Group (S\$'000)	China Group (S\$'000)
Gross revenue	-	3,317
Gross rental revenue	-	3,014
Food and beverage revenue	-	238
Other income	-	65
Property expenses	-	(1,815)
Operations and maintenance expenses	-	(429)
Hotel management fee	-	(226)
Property taxes and insurance	-	(124)
Services and other taxes	-	(16)
Administrative and general expenses	-	(96)
Sales and marketing expenses	-	(190)
Staff costs	-	(522)
Energy and utilities expenses	-	(82)
Other expenses	-	(130)
Net property income	-	1,502
Finance income	-	14
Foreign exchange gain, net	-	128
Profit before tax from discontinued operations	-	1,644
Income tax expense	-	(262)
Profit from discontinued operations, net of tax	-	1,382
Gain on disposal of subsidiaries	-	148,096
Profit from discontinued operations, net of tax	-	149,478

- (e) *This related to the exchange differences arising from the translation of the results and the financial position of all the Group entities with functional currencies different from that of the presentation currency of A-HTRUST (SGD).*
- (f) *In 1Q FY2019, A-HTRUST retained 6.7% of its income available for distribution to finance the working capital needs of the existing properties (1Q FY2018/19: 7.0%). This amounted to approximately S\$1.0 million (1Q FY2018/19: S\$1.1 million).*

1(b)(i) Balance sheets

		30 June 2019			31 March 2019			Variance [increase(+)/decrease(-)]		
	Note	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
ASSETS										
Non-current assets										
Investment properties		1,223,622	791,521	432,101	1,212,681	779,699	432,982	0.9	1.5	(0.2)
Right-of-use asset (SFRS(I) 16)	(a)	-	-	117,828	-	-	-	-	-	NM
Property, plant and equipment		602,475	-	602,475	612,225	-	612,225	(1.6)	-	(1.6)
Investment securities		-	2,766	-	-	2,849	-	-	(2.9)	-
Derivative financial instruments	(b)	4,887	1	4,886	8,774	1,525	7,249	(44.3)	(99.9)	(32.6)
Deferred tax assets		4,254	-	4,254	4,540	-	4,540	(6.3)	-	(6.3)
Other non-current assets		4,795	31	4,764	4,854	32	4,822	(1.2)	(3.1)	(1.2)
		<u>1,840,033</u>	<u>794,319</u>	<u>1,166,308</u>	<u>1,843,074</u>	<u>784,105</u>	<u>1,061,818</u>	<u>(0.2)</u>	<u>1.3</u>	<u>9.8</u>
Current assets										
Inventories		323	-	323	333	-	333	(3.0)	-	(3.0)
Trade and other receivables	(c)	11,791	3,264	13,008	17,635	9,371	12,651	(33.1)	(65.2)	2.8
Prepayments	(d)	3,189	1,042	2,147	4,130	1,482	2,648	(22.8)	(29.7)	(18.9)
Cash and cash equivalents		51,358	20,576	30,782	72,025	23,393	48,632	(28.7)	(12.0)	(36.7)
Derivative financial instruments	(b)	2,447	987	1,460	742	106	636	NM	NM	129.6
Other current assets		499	-	499	426	-	426	17.1	-	17.1
		<u>69,607</u>	<u>25,869</u>	<u>48,219</u>	<u>95,291</u>	<u>34,352</u>	<u>65,326</u>	<u>(27.0)</u>	<u>(24.7)</u>	<u>(26.2)</u>
Total assets		<u>1,909,640</u>	<u>820,188</u>	<u>1,214,527</u>	<u>1,938,365</u>	<u>818,457</u>	<u>1,127,144</u>	<u>(1.5)</u>	<u>0.2</u>	<u>7.8</u>
LIABILITIES										
Current liabilities										
Trade and other payables		33,400	10,471	27,411	36,819	11,614	29,593	(9.3)	(9.8)	(7.4)
Deferred income		1,885	156	1,729	1,903	155	1,748	(0.9)	0.6	(1.1)
Borrowings	(e)	2,000	2,000	-	5,000	5,000	-	(60.0)	(60.0)	-
Medium term notes	(e)	74,980	49,487	25,493	-	-	-	NM	NM	NM
Derivative financial instruments	(b)	2,629	2,339	290	15	6	9	NM	NM	NM
Lease liabilities (SFRS(I) 16)	(a)	-	-	4,699	-	-	-	-	-	NM
Income tax payable		1,179	559	620	1,457	663	794	(19.1)	(15.7)	(21.9)
		<u>116,073</u>	<u>65,012</u>	<u>60,242</u>	<u>45,194</u>	<u>17,438</u>	<u>32,144</u>	<u>156.8</u>	<u>NM</u>	<u>87.4</u>
Net current (liabilities)/assets	(f)	<u>(46,466)</u>	<u>(39,143)</u>	<u>(12,023)</u>	<u>50,097</u>	<u>16,914</u>	<u>33,182</u>	<u>NM</u>	<u>NM</u>	<u>NM</u>

NM - Not Meaningful

1(b)(i) Balance sheets (cont'd)

	30 June 2019			31 March 2019			Variance [increase(+)/decrease(-)]		
	A-HTRUST	A-HREIT	A-HBT	A-HTRUST	A-HREIT	A-HBT	A-HTRUST	A-HREIT	A-HBT
Note	(S\$'000)	Group (S\$'000)	Group (S\$'000)	(S\$'000)	Group (S\$'000)	Group (S\$'000)	(%)	Group (%)	Group (%)
Non-current liabilities									
Other payables	414	-	414	378	-	378	9.5	-	9.5
Rental and other deposits	17,272	8,056	9,216	16,914	7,806	9,108	2.1	3.2	1.2
Deferred income	5,399	710	4,689	5,892	707	5,185	(8.4)	0.4	(9.6)
Borrowings	(e) 499,902	237,379	262,523	493,682	231,289	262,393	1.3	2.6	0.0
Deferred tax liabilities	72,153	27,578	44,575	72,477	27,529	44,948	(0.4)	0.2	(0.8)
Derivative financial instruments	(b) 3,396	393	3,003	3,281	1,736	1,545	3.5	(77.4)	94.4
Lease liabilities (SFRS(I) 16)	(a) -	-	113,129	-	-	-	-	-	NM
Medium term notes	(e) 69,924	280	69,644	144,892	49,763	95,129	(51.7)	(99.4)	(26.8)
	668,460	274,396	507,193	737,516	318,830	418,686	(9.4)	(13.9)	21.1
Total liabilities	784,533	339,408	567,435	782,710	336,268	450,830	0.2	0.9	25.9
Net assets attributable to Stapled Securityholders									
	1,125,107	480,780	647,092	1,155,655	482,189	676,314	(2.6)	(0.3)	(4.3)
Stapled Securityholders' funds									
Stapled Securities in issue	982,642	419,420	563,222	981,115	418,564	562,551	0.2	0.2	0.1
Issue costs	(15,761)	(5,994)	(9,767)	(15,761)	(5,994)	(9,767)	-	-	-
Management fees payable in Stapled Securities	950	295	655	1,527	856	671	(37.8)	(65.5)	(2.4)
Revenue reserve	42,083	65,492	(21,982)	71,788	71,929	1,322	(41.4)	(8.9)	NM
Foreign currency translation reserve	(45,277)	1,933	(46,837)	(43,977)	(2,825)	(40,813)	3.0	NM	14.8
Asset revaluation reserve	159,650	-	157,841	159,625	-	157,816	0.0	-	0.0
Hedging reserve	(1,121)	(366)	(747)	(681)	(341)	(334)	64.6	7.3	123.7
	1,123,166	480,780	642,385	1,153,636	482,189	671,446	(2.6)	(0.3)	(4.3)
Non-controlling interests	1,941	-	4,707	2,019	-	4,868	(3.9)	-	(3.3)
	1,125,107	480,780	647,092	1,155,655	482,189	676,314	(2.6)	(0.3)	(4.3)
Number of Stapled Securities in issue ('000)	1,136,747	1,136,747	1,136,747	1,135,005	1,135,005	1,135,005			
Net asset value per Stapled Security (\$)	0.99	0.42	0.57	1.02	0.42	0.60			

NM - Not Meaningful

Notes:

- (a) *This was due to adoption of SFRS(I) 16. Please refer to Note 5 on page 23 for details.*
- (b) *Movements in derivative financial instruments arose from fair value changes upon re-measurement of foreign exchange forward contracts, cross currency swaps and interest rate swaps.*
- (c) *Decrease in trade and other receivables was mainly due to S\$5.6 million VAT input tax refund received in relation to acquisition of WBF West, WBF East and WBF Honmachi hotels in April 2019.*
- (d) *Decrease in prepayments was mainly due to amortisation of prepaid land and property tax to profit or loss.*
- (e) *Please refer to page 11 for more details.*
- (f) *Net current liabilities position was due to reclassification of the medium term notes which are due in April 2020 as current liabilities as at 30 June 2019. The Managers are of the opinion that the Group will be able to secure refinancing to repay the medium term notes when they fall due.*

1(b)(ii) Gross Borrowings

	30 June 2019			31 March 2019			Variance [increase(+)/decrease(-)]		
	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
Current:									
Unsecured bank loans	2,000	2,000	-	5,000	5,000	-	(60.0)	(60.0)	-
Medium term notes	74,980	49,487	25,493	-	-	-	NM	NM	NM
Total current	76,980	51,487	25,493	5,000	5,000	-	NM	NM	NM
Non-current:									
TMK bonds	175,252	174,003	1,249	170,761	169,544	1,217	2.6	2.6	2.6
Unsecured bank loans	324,650	63,376	261,274	322,921	61,745	261,176	0.5	2.6	0.0
Medium term notes	69,924	280	69,644	144,892	49,763	95,129	(51.7)	(99.4)	(26.8)
Total non-current	569,826	237,659	332,167	638,574	281,052	357,522	(10.8)	(15.4)	(7.1)
Total borrowings ¹	646,806	289,146	357,660	643,574	286,052	357,522	0.5	1.1	0.0

¹ Total borrowings did not include lease liabilities that arose from SFRS(I) 16 adoption and derivative financial instruments.

TMK bonds

The TMK bonds in A-HREIT Group comprise of the following:

- (i) JPY8.0 billion bond issued by Ascendas Hospitality Tokutei Mokuteki Kaisha on 4 October 2017. The bond carries a fixed rate of 0.714% per annum and matures on 4 October 2022;
- (ii) JPY3.82 billion bond issued by Ascendas Hospitality Honmachi Tokutei Mokuteki Kaisha on 28 September 2018. The bond carries a fixed rate of 0.749% per annum and matures on 28 September 2023; and
- (iii) JPY2.18 billion bond issued by Ascendas Hospitality Honmachi Tokutei Mokuteki Kaisha on 20 December 2018. The bond carries a fixed rate of 0.627% per annum and matures on 28 September 2023.

The TMK bond in A-HBT Group relates to JPY100 million bond issued by Ascendas Japan Namba Tokutei Mokuteki Kaisha on 24 March 2017. The bond carries a floating interest rate of 3 Month JPY LIBOR + 1.50% per annum and matures on 23 March 2023.

Unsecured bank loans

As at 30 June 2019, total facilities of the Group are as follows:

- (i) A\$180 million unsecured term loan facility;
- (ii) A\$20 million committed revolving credit facility;
- (iii) USD36 million unsecured term loan facility;
- (iv) JPY5.1 billion unsecured term loan facility;
- (v) KRW32 billion unsecured term loan facility; and
- (vi) S\$170 million of uncommitted revolving credit facilities.

Medium term notes

Two tranches of medium term notes have been issued pursuant to the S\$1 billion multi-currency stapled debt issuance programme. The first tranche of 5-year S\$75.0 million (S\$49.5 million under A-HREIT Group and S\$25.5 million under A-HBT Group) 3.3% notes is due April 2020. The second tranche of 6-year S\$70.0 million (S\$0.28 million under A-HREIT Group and S\$69.72 million under A-HBT Group) 3.325% notes is due September 2022.

Details of collateral

The TMK bonds under A-HREIT Group and a portion of unsecured bank loans under A-HBT Group are secured by corporate guarantees from A-HREIT and A-HBT.

1(c) Consolidated cash flow statement

	1 April 2019 to 30 June 2019			1 April 2018 to 30 June 2018		
Note	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)
Cash flows from operating activities						
Profit before tax from continuing operations	8,210	6,001	2,188	7,192	5,062	2,124
Profit before tax from discontinued operations	-	-	-	149,740	-	149,740
Profit before tax, total	8,210	6,001	2,188	156,932	5,062	151,864
Adjustments for:						
Depreciation	5,519	-	5,519	5,883	-	5,883
Gain on disposal of China Group	-	-	-	(148,096)	-	(148,096)
Management fee paid/payable in Stapled Securities	950	295	655	876	225	651
Foreign exchange (gain)/loss from capital reduction	(167)	(202)	35	102	35	67
Foreign exchange loss/(gain), net	1,590	(63)	1,653	1,132	109	1,023
Effects of recognising rental income on a straight line basis over lease term	25	-	25	19	-	19
Net change in fair value of derivative financial instruments	845	285	560	26	117	(91)
Net change in fair value of right-of-use asset (SFRS(I) 16)	(a) -	-	1,094	-	-	-
Net change in fair value of investment securities	-	83	-	-	125	-
Dividend from investment securities	-	(62)	-	-	(119)	-
Finance costs	3,128	684	2,444	3,377	388	2,989
Finance costs (SFRS(I) 16)	(a) -	-	2,497	-	-	-
Finance income	(197)	(1)	(196)	(174)	-	(174)
Amortisation of deferred income	(439)	(3)	(436)	(445)	-	(445)
Operating cash flows before working capital changes	19,464	7,017	16,038	19,632	5,942	13,690
Changes in working capital:						
Inventories	6	-	6	17	-	17
Trade and other receivables	5,650	6,212	(469)	(3,002)	1,773	(5,220)
Prepayments	961	470	491	1,143	357	786
Other assets (current and non-current)	(76)	1	(77)	(85)	1	(86)
Trade and other payables	(1,592)	(329)	(1,356)	(1,182)	(571)	(166)
Rental and other deposits	188	200	(12)	222	194	28
Cash generated from operations	24,601	13,571	14,621	16,745	7,696	9,049
Income tax paid	(1,670)	(232)	(1,438)	(1,648)	(230)	(1,418)
Interest received	183	1	182	171	-	171
Interest paid	(3,406)	(1,090)	(2,316)	(4,172)	(781)	(3,391)
Net cash generated from operating activities	19,708	12,250	11,049	11,096	6,685	4,411

1(c) Consolidated cash flow statement (cont'd)

Note	1 April 2019 to 30 June 2019			1 April 2018 to 30 June 2018		
	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)
Cash flows from investing activities						
Acquisition of property, plant and equipment	(3,208)	-	(3,208)	(2,803)	-	(2,803)
Subsequent capital expenditures on investment property	(585)	(302)	(283)	(103)	(103)	-
Acquisition of investment properties	-	-	-	(97,347)	-	(97,347)
Dividend income received from investment securities	-	62	-	-	119	-
Increase in restricted fixed deposit	(b) -	-	-	(3,660)	-	(3,660)
Net cash inflow from disposal of China Group	(c) -	-	-	220,035	-	220,035
Deposit paid for acquisition of investment property	-	-	-	(10,412)	(10,412)	-
Net cash (used in)/generated from investing activities	(3,793)	(240)	(3,491)	105,710	(10,396)	116,225
Cash flows from financing activities						
Capital contribution by non-controlling interests	-	-	-	1,245	-	1,245
Distribution paid to Stapled Securityholders	(36,603)	(12,277)	(24,326)	(35,418)	(11,655)	(23,763)
Dividends paid to non-controlling interests	(22)	-	(84)	-	-	(119)
Proceeds from borrowings, net of transaction costs	9,240	6,400	2,840	119,934	18,412	101,522
Repayment of borrowings	(9,400)	(9,400)	-	(254,365)	(3,800)	(250,565)
Payment for lease liabilities (SFRS(I) 16)	(a) -	-	(3,591)	-	-	-
Net cash (used in)/generated from financing activities	(36,785)	(15,277)	(25,161)	(168,604)	2,957	(171,680)
Net decrease in cash and cash equivalents	(20,870)	(3,267)	(17,603)	(51,798)	(754)	(51,044)
Cash and cash equivalents at beginning of quarter (Note A)	68,437	23,393	45,044	93,311	17,170	76,141
Effect of exchange rate changes on cash and cash equivalents	335	450	(115)	(175)	(41)	(134)
Cash and cash equivalents at end of quarter (Note B)	47,902	20,576	27,326	41,338	16,375	24,963
Note A:						
Continuing operations	72,025	23,393	48,632	67,441	17,170	50,271
Discontinued operations	-	-	-	25,870	-	25,870
Less: restricted fixed deposit	(3,588)	-	(3,588)	-	-	-
Cash and cash equivalents at beginning of quarter	68,437	23,393	45,044	93,311	17,170	76,141
Note B:						
Cash and bank balances	51,358	20,576	30,782	44,998	16,375	28,623
Less: restricted fixed deposit	(b) (3,456)	-	(3,456)	(3,660)	-	(3,660)
Cash and cash equivalents at end of quarter	47,902	20,576	27,326	41,338	16,375	24,963

Notes:

- (a) This was due to adoption of SFRS(I) 16. Please refer to Note 5 on page 23 for details.
- (b) Restricted fixed deposit relates to security deposit from tenant which can only be drawn down as rental payment upon tenant's default or refunded to tenant upon lease expiry.
- (c) Disposal of China Group

	1 April 2019 to 30 June 2019	1 April 2018 to 30 June 2018
Carrying amounts of assets and liabilities disposed of		
Prepaid land lease	-	32,729
Property, plant and equipment	-	61,411
Inventories	-	44
Trade and other receivables	-	1,067
Prepayments	-	134
Cash and cash equivalents	-	26,642
Other current assets	-	107
Total assets	-	122,134
Trade and other payables	-	2,186
Income tax payable	-	312
Rental and other deposits	-	116
Deferred taxation	-	6,513
Total liabilities	-	9,127
Net assets disposed of	-	113,007
The aggregate cash inflow arising from the disposal of subsidiaries were:		
Net assets disposed of	-	113,007
Transfer from asset revaluation reserve	-	(12,250)
Transfer from foreign currency translation reserve	-	(1,516)
Transfer from other reserve	-	(1,212)
	-	98,029
Gain on disposal	-	148,096
Total sales consideration, net of transaction costs	-	246,125
Less: cash and cash equivalents in subsidiaries disposed of	-	(26,642)
Less: deposit received in prior year	-	(19,460)
Add: professional fees and tax payable	-	20,012
Net cash inflow on disposal of China Group	-	220,035

1(d)(i) Statements of changes in Stapled Securityholders' funds

	<---Attributable to Stapled Securityholders of the Trust--->							Non-controlling interests	Total
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserve	Foreign currency translation reserve	Asset revaluation reserve	Hedging reserve		
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
A-HTRUST									
Balance at 1 April 2019	981,115	(15,761)	1,527	71,788	(43,977)	159,625	(681)	1,153,636	2,019
Profit for the quarter	-	-	-	6,898	-	-	-	6,898	19
<u>Other comprehensive income</u>									
Cash flow hedges - fair value loss	-	-	-	-	-	-	(440)	(440)	-
Revaluation surplus on freehold land and building	-	-	-	-	-	25	-	25	-
Currency translation differences	-	-	-	-	(1,300)	-	-	(1,300)	(75)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(1,300)	25	(440)	(1,715)	(75)
Total comprehensive income for the quarter, net of tax	-	-	-	6,898	(1,300)	25	(440)	5,183	(56)
<u>Contributions by and distributions to Stapled Securityholders and non-controlling interests</u>									
Management fees paid in Stapled Securities	1,527	-	(1,527)	-	-	-	-	-	-
Management fees payable in Stapled Securities	-	-	950	-	-	-	-	950	-
Distributions to Stapled Securityholders	-	-	-	(36,603)	-	-	-	(36,603)	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(22)
Total contributions by and distributions to Stapled Securityholders and non-controlling interests	1,527	-	(577)	(36,603)	-	-	-	(35,653)	(22)
Balance at 30 June 2019	982,642	(15,761)	950	42,083	(45,277)	159,650	(1,121)	1,123,166	1,941

1(d)(i) Statement of changes in Stapled Securityholders' funds (cont'd)

	<---Attributable to Stapled Securityholders of the Trust--->										
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserve	Foreign currency translation reserve	Asset revaluation reserve	Hedging reserve	Reserves of disposal group classified as held for sale	Total	Non-controlling interests	Total
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
A-HTRUST											
Balance at 1 April 2018	976,963	(15,761)	1,446	(94,987)	(14,853)	173,985	(1,199)	13,813	1,039,407	-	1,039,407
Profit for the quarter	-	-	-	155,358	-	-	-	-	155,358	5	155,363
<u>Other comprehensive income</u>											
Cash flow hedges - fair value gain	-	-	-	-	-	-	700	134	834	-	834
Cash flow hedges - reclassification to profit or loss upon settlement	-	-	-	-	-	-	620	359	979	-	979
Revaluation surplus on freehold land and building	-	-	-	-	-	18	-	65	83	-	83
Currency translation differences	-	-	-	-	(6,752)	-	-	607	(6,145)	(26)	(6,171)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(6,752)	18	1,320	1,165	(4,249)	(26)	(4,275)
Total comprehensive income for the quarter, net of tax	-	-	-	155,358	(6,752)	18	1,320	1,165	151,109	(21)	151,088
<u>Contributions by and distributions to Stapled Securityholders and non-controlling interests</u>											
Management fees paid in Stapled Securities	1,446	-	(1,446)	-	-	-	-	-	-	-	-
Management fees payable in Stapled Securities	-	-	876	-	-	-	-	-	876	-	876
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	1,245	1,245
Distributions to Stapled Securityholders	-	-	-	(35,418)	-	-	-	-	(35,418)	-	(35,418)
Total contributions by and distributions to Stapled Securityholders and non-controlling interests	1,446	-	(570)	(35,418)	-	-	-	-	(34,542)	1,245	(33,297)
<u>Others</u>											
Disposal of subsidiaries	-	-	-	-	-	-	-	(14,978)	(14,978)	-	(14,978)
Total others	-	-	-	-	-	-	-	(14,978)	(14,978)	-	(14,978)
Balance at 30 June 2018	978,409	(15,761)	876	24,953	(21,605)	174,003	121	-	1,140,996	1,224	1,142,220

1(d)(i) Statement of changes in Stapled Securityholders' funds (cont'd)

	<---Attributable to Stapled Securityholders of the Trust--->						
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserve	Foreign currency translation reserve	Hedging reserve	Total
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
A-HREIT Group							
Balance at 1 April 2019	418,564	(5,994)	856	71,929	(2,825)	(341)	482,189
Profit for the quarter	-	-	-	5,840	-	-	5,840
<u>Other comprehensive income</u>							
Cash flow hedges - fair value loss	-	-	-	-	-	(25)	(25)
Currency translation differences	-	-	-	-	4,758	-	4,758
Other comprehensive income for the quarter, net of tax	-	-	-	-	4,758	(25)	4,733
Total comprehensive income for the quarter, net of tax	-	-	-	5,840	4,758	(25)	10,573
<u>Contributions by and distributions to Stapled Securityholders</u>							
Management fees paid in Stapled Securities	856	-	(856)	-	-	-	-
Management fees payable in Stapled Securities	-	-	295	-	-	-	295
Distributions to Stapled Securityholders	-	-	-	(12,277)	-	-	(12,277)
Total contributions by and distributions to Stapled Securityholders	856	-	(561)	(12,277)	-	-	(11,982)
Balance at 30 June 2019	419,420	(5,994)	295	65,492	1,933	(366)	480,780

1(d)(i) Statement of changes in Stapled Securityholders' funds (cont'd)

	<---Attributable to Stapled Securityholders of the Trust--->					
	Stapled Securities in issue (S\$'000)	Issue costs (S\$'000)	Management fees payable in Stapled Securities (S\$'000)	Revenue reserve (S\$'000)	Foreign currency translation reserve (S\$'000)	Total (S\$'000)
A-HREIT Group						
Balance at 1 April 2018	417,098	(5,994)	751	28,150	1,558	441,563
Profit for the quarter	-	-	-	4,787	-	4,787
<u>Other comprehensive income</u>						
Currency translation differences	-	-	-	-	(1,714)	(1,714)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(1,714)	(1,714)
Total comprehensive income for the quarter, net of tax	-	-	-	4,787	(1,714)	3,073
<u>Contributions by and distributions to Stapled Securityholders</u>						
Management fees paid in Stapled Securities	751	-	(751)	-	-	-
Management fees payable in Stapled Securities	-	-	225	-	-	225
Distributions to Stapled Securityholders	-	-	-	(11,655)	-	(11,655)
Total contributions by and distributions to Stapled Securityholders	751	-	(526)	(11,655)	-	(11,430)
Balance at 30 June 2018	417,849	(5,994)	225	21,282	(156)	433,206

1(d)(i) Statement of changes in Stapled Securityholders' funds (cont'd)

	<---Attributable to Stapled Securityholders of the Trust--->							Non-controlling interests	Total
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserve	Foreign currency translation reserve	Asset revaluation reserve	Hedging reserve		
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
A-HBT Group									
Balance at 1 April 2019	562,551	(9,767)	671	1,322	(40,813)	157,816	(334)	671,446	4,868
Profit for the quarter	-	-	-	1,022	-	-	-	1,022	34
<u>Other comprehensive income</u>									
Cash flow hedges - fair value loss	-	-	-	-	-	-	(413)	(413)	(2)
Revaluation surplus on freehold land and building	-	-	-	-	-	25	-	25	-
Currency translation differences	-	-	-	-	(6,024)	-	-	(6,024)	(109)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(6,024)	25	(413)	(6,412)	(111)
Total comprehensive income for the quarter, net of tax	-	-	-	1,022	(6,024)	25	(413)	(5,390)	(77)
<u>Contributions by and distributions to Stapled Securityholders and non-controlling interests</u>									
Management fees paid in Stapled Securities	671	-	(671)	-	-	-	-	-	-
Management fees payable in Stapled Securities	-	-	655	-	-	-	-	655	-
Distributions to Stapled Securityholders	-	-	-	(24,326)	-	-	-	(24,326)	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(84)
Total contributions by and distributions to Stapled Securityholders and non-controlling interests	671	-	(16)	(24,326)	-	-	-	(23,671)	(84)
Balance at 30 June 2019	563,222	(9,767)	655	(21,982)	(46,837)	157,841	(747)	642,385	4,707

1(d)(i) Statement of changes in Stapled Securityholders' funds (cont'd)

	<---Attributable to Stapled Securityholders of the Trust--->										
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserve	Foreign currency translation reserve	Asset revaluation reserve	Hedging reserve	Reserves of disposal group classified as held for sale	Total	Non-controlling interests	Total
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
A-HBT Group											
Balance at 1 April 2018	559,865	(9,767)	695	(121,338)	(16,244)	172,006	(1,188)	13,813	597,842	3,352	601,194
Profit for the quarter	-	-	-	150,567	-	-	-	-	150,567	3	150,570
<u>Other comprehensive income</u>											
Cash flow hedges - fair value gain	-	-	-	-	-	-	699	134	833	1	834
Cash flow hedges - reclassification to profit or loss upon settlement	-	-	-	-	-	-	614	359	973	6	979
Revaluation surplus on freehold land and building	-	-	-	-	-	18	-	65	83	-	83
Currency translation differences	-	-	-	-	(5,026)	-	-	607	(4,419)	(38)	(4,457)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(5,026)	18	1,313	1,165	(2,530)	(31)	(2,561)
Total comprehensive income for the quarter, net of tax	-	-	-	150,567	(5,026)	18	1,313	1,165	148,037	(28)	148,009
<u>Contributions by and distributions to Stapled Securityholders and non-controlling interests</u>											
Management fees paid in Stapled Securities	695	-	(695)	-	-	-	-	-	-	-	-
Management fees payable in Stapled Securities	-	-	651	-	-	-	-	-	651	-	651
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	1,245	1,245
Distributions to Stapled Securityholders	-	-	-	(23,763)	-	-	-	-	(23,763)	-	(23,763)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(119)	(119)
Total contributions by and distributions to Stapled Securityholders and non-controlling interests	695	-	(44)	(23,763)	-	-	-	-	(23,112)	1,126	(21,986)
<u>Others</u>											
Disposal of subsidiaries	-	-	-	-	-	-	-	(14,978)	(14,978)	-	(14,978)
Total others	-	-	-	-	-	-	-	(14,978)	(14,978)	-	(14,978)
Balance at 30 June 2018	560,560	(9,767)	651	5,466	(21,270)	172,024	125	-	707,789	4,450	712,239

1(d)(ii) Details of any changes in the Stapled Securities

	1 April 2019 to 30 June 2019			1 April 2018 to 30 June 2018		
	A-HTRUST ('000)	A-HREIT Group ('000)	A-HBT Group ('000)	A-HTRUST ('000)	A-HREIT Group ('000)	A-HBT Group ('000)
Balance at beginning of quarter	1,135,005	1,135,005	1,135,005	1,129,839	1,129,839	1,129,839
Issue of new Stapled Securities						
- Management fees paid in Stapled Securities (a)	1,742	1,742	1,742	1,731	1,731	1,731
Issued Stapled Securities at end of quarter	1,136,747	1,136,747	1,136,747	1,131,570	1,131,570	1,131,570
Stapled Securities to be issued:						
- Management fees payable in Stapled Securities (a)	976	976	976	1,136	1,136	1,136
Total issued and to be issued Stapled Securities	1,137,723	1,137,723	1,137,723	1,132,706	1,132,706	1,132,706

Note:

- (a) These are Stapled Securities issued to the Managers as partial consideration of management fees incurred. The Managers have opted to receive 50% of their fees in Stapled Securities in 1Q FY2019 (50% in 1Q FY2018/19).

1(d)(iii) Total number of issued Stapled Securities excluding treasury units as at the end of the current financial period and as at the end of the immediately preceding year

A-HTRUST, A-HREIT Group and A-HBT Group do not hold any treasury units as at 30 June 2019 and 31 March 2019.

The total number of issued Stapled Securities as at 30 June 2019 and 31 March 2019 were 1,136,746,931 and 1,135,004,953 respectively.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury units as at the end of the current financial period reported on

Not applicable.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable.

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

The financial information as set out in paragraphs 1(a)(i), 1(a)(ii), 1(b)(i), 1(b)(ii), 1(c), 1(d)(i), 1(d)(ii), 1(d)(iii) and 7 of this announcement has been extracted from the interim financial report, which has been reviewed in accordance with Singapore Standard on Review Engagements 2410, Review of Interim Financial Information, performed by the independent auditor of the Group.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

The auditor's review report dated 1 August 2019 on the interim financial report of the Group for the period ended 30 June 2019 is enclosed in the Appendix.

In addition, the independent financial advisor's letter on the interim financial report of the Group for the period ended 30 June 2019 is also enclosed in the Appendix.

4 Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual 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 financial year ended 31 March 2019, except for those disclosed under paragraph 5.

5 If there are any changes in the accounting policies and methods of computation, what has changed, as well as the reasons for, and effect of the change.

There has been no change in the accounting policies and methods of computation adopted by A-HTRUST for the current reporting period compared with the audited financial statements as at 31 March 2019, except for the adoption of new Singapore Financial Reporting Standards (International) ("SFRS(I)") applicable for financial year beginning 1 April 2019 as described in the following.

SFRS(I) 16 Leases

SFRS(I) 16 introduces a single, on-balance sheet accounting model for lessees. 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. There are recognition exemptions for short-term leases and leases of low-value items. Lessor

accounting remains unchanged – i.e. lessors continue to classify leases as finance or operating leases.

AAGK, a subsidiary of A-HBT, leases Hotel Sunroute Ariake from Ascendas Hospitality Tokutei Mokuteki Kaisha, a subsidiary of A-HREIT. SFRS(I) 16 requires AAGK to recognise a ROU asset and lease liability relating to this operating lease. A-HBT Group applied the practical expedient to recognise an amount of ROU assets equal to its lease liabilities at 1 April 2019 using modified retrospective approach and will not restate comparative amounts for the year prior to initial adoption.

Under SFRS(I) 16, qualifying lease payments were no longer recorded as other expenses but will be applied towards reducing the lease liabilities and the associated interest expense. Lessee may present cash paid for the interest portion of the lease liabilities as either operating activities or financing activities, as permitted by SFRS(I) 1-7 – Statement of Cash Flows. A-HBT Group has opted to report payment for the interest portion together with the principal portion under financing activities for cash flow reporting purposes. The application of SFRS(I) 16 did not have an impact on the net cash flows or distributable income of A-HTRUST.

The adoption of SFRS(I) 16 results in increase in total assets and total liabilities, EBITDA and gearing ratio for A-HBT Group. However, there is no impact for A-HTRUST as the intra-group transaction is fully eliminated on consolidation.

The impacts of initial application of SFRS(I) 16 on the balance sheet of A-HBT Group as at 1 April 2019 are as follows:

1 April 2019		
Before SFRS(I) 16 adjustments (S\$'000)	SFRS(I) 16 adjustments (S\$'000)	After SFRS(I) 16 adjustments (S\$'000)

A-HBT Group

Right-of-use asset (SFRS(I) 16)	-	115,933	115,933
Lease liabilities (SFRS(I) 16)	-	115,933	115,933

6 Group earnings per Stapled Security (“EPS”) and distribution per Stapled Security (“DPS”) for the quarter ended 30 June 2019.

Group earnings per Stapled Security

	1Q FY2019	1Q FY2018/19
Weighted average number of Stapled Securities	1,135,904,656	1,130,733,413
EPS ^(a) for the period based on the weighted average number of Stapled Securities in issue (cents)		
- from continuing operations	0.61	0.52
- from continuing and discontinued operations	0.61	13.74

Note:

- (a) The diluted EPS is the same as basic EPS as no dilutive instruments were in issue during the reported quarter.

Group distribution per Stapled Security

	1Q FY2019	1Q FY2018/19
Number of Stapled Securities issued and to be issued at end of the period	1,137,723,271	1,132,706,124
Distribution per Stapled Security (cents) ^(a)	1.28	1.35

Note:

- (a) In 1Q FY2019, A-HTRUST retained 6.7% of its income available for distribution to finance the working capital needs of the existing properties (1Q FY2018/19: 7.0%).

Excluding one-off partial distribution from disposal gain of China Group in 1Q FY2018/19, DPS would be 1.20 cents.

7 Group net asset value (“NAV”) per Stapled Security based on existing Stapled Securities in issue and to be issued as at the end of the quarter

	As at 30 June 2019	As at 31 March 2019
Number of Stapled Securities in issue at end of the period	1,136,746,931	1,135,004,953
Number of Stapled Securities to be issued ^(a)	976,340	1,741,978
Number of Stapled Securities in issue and to be issued at end of the period	1,137,723,271	1,136,746,931
Net asset value per Stapled Security of the Group, based on Stapled Securities in issue and to be issued at end of the period (S\$)	0.99	1.02

Note:

- (a) Stapled Securities to be issued to the Managers as partial consideration of management fees incurred for the period from 1 April 2019 to 30 June 2019 (31 March 2019: for the period from 1 January 2019 to 31 March 2019).

8 Review of the performance

Revenue and Net Property Income – 1Q FY2019 vs. 1Q FY2018/19

	Revenue				Net property income			
	1Q	1Q	Change		1Q	1Q	Change	
	FY2019	FY2018/19	(+increase / -decrease)		FY2019	FY2018/19	(+increase / -decrease)	
	S\$million	S\$million	S\$million	% ⁽¹⁾	S\$million	S\$million	S\$million	% ⁽¹⁾
Australia	32.9	34.3	(1.3)	(3.9)	8.8	9.1	(0.3)	(3.1)
Japan	8.2	6.9	1.3	19.0	7.2	5.9	1.3	22.8
Korea	2.1	0.4	1.6	N.A	1.9	0.4	1.5	N.A
Singapore	3.3	3.3	0.0	0.3	3.3	3.3	0.0	0.1
Total	46.5	44.9	1.6	3.5	21.3	18.7	2.6	13.7
China ⁽²⁾	-	3.3	(3.3)	(100.0)	-	1.5	(1.5)	(100.0)
Total with China	46.5	48.2	(1.7)	(3.6)	21.3	20.2	1.1	5.2

⁽¹⁾ Computation is based on the financials rounded to the nearest dollar. Any differences between the individual amounts and total thereof are due to rounding

⁽²⁾ Sale of China assets was completed on 18 May 2018

Group

Gross revenue and net property income (“NPI”) for 1Q FY2019 were S\$46.5 million and S\$21.3 million, a decrease of S\$1.7 million and increase of S\$1.1 million respectively as compared to 1Q FY2018/19. The lower revenue was due to the master lease arrangements for the new hotels in Korea and Japan, while the China portfolio (in prior period) was under management contracts. The increase in NPI was lifted by the full quarter contributions from the new hotels, partially offset by the absence of earnings from China portfolio and the unfavourable FX movement in AUD (-4.9%).

Australia

The decrease in NPI of S\$0.3 million was mainly attributable to unfavourable foreign exchange movement (S\$0.5 million). However, it was partially mitigated by refund of prior year land tax surcharge of S\$0.7 million received this quarter.

Our Sydney hotels continued to face competitive market condition and were affected by reduction in average room rates. Pullman Sydney Hyde Park’s performance was better than last year due to stronger conferencing performance.

Pullman & Mercure Melbourne Albert Park’s performance was affected by soft market conditions and refurbishment of Mercure rooms.

Pullman & Mercure Brisbane King George Square achieved y-o-y growth in both occupancy and room rates as a result of well-executed strategies in driving higher occupancy in the public and corporate segments.

Japan

Sunroute Ariake’s performance was in line with last year while Namba Hotel’s performance was slightly muted due to new hotel supply in Osaka.

With the completion of acquisition of WBF East and WBF West in September 2018 and WBF Honmachi in December 2018, these three hotels contributed S\$1.4m of earnings for 1Q FY2019 to the Japan portfolio.

Korea

Splaisir Dongdaemun and ibis Insadong started contributing to the Group following the completion of the acquisition in May 2018 and December 2018 respectively.

Singapore

Income from Park Hotel Clarke Quay for 1Q FY2019 was in line with last year.

Income available for distribution

Income available for distribution for the quarter was S\$15.6 million. With the retention of S\$1.0 million for working capital in the quarter, income to be distributed for the quarter would be S\$14.6 million, a decrease of S\$0.7 million (4.8%) over the same period last year. The decrease was mainly due to absence of China sale proceeds distribution of S\$1.8 million and mitigated by higher NPI of S\$1.1 million.

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

No forecast or prospect statement has been previously disclosed.

10 Commentary on 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 reporting period and the next 12 months

Demand for hotel accommodation in Sydney is expected to remain robust in the near term although increase in supply may place downward pressure on room rates. Looking ahead, the Melbourne hotel market conditions are expected to remain soft over the medium term as new supply of hotel rooms enters the market. Comparatively limited upcoming supply of rooms over the near term can help to lift the performance of the hotel market in Brisbane, which is further supported by the new runway in Brisbane Airport, scheduled to open in 2020.

The hotel sector in the cities of Tokyo and Osaka are expected to benefit from the Rugby World Cup 2019, which is expected to draw both international and domestic travellers. In addition, the hotel market in Tokyo will be supported by the 2020 Olympics while a new attraction in Universal Studios Japan, slated to open in 2020, provides further boost to the hotels in Osaka. However, the Osaka hotel market is facing more supply of rooms in the medium term.

Recovering demand from China and steady growth from other source markets have resulted in strong y-o-y growth of 16.9% in foreign arrivals into South Korea for the period year-to-date ("YTD") June 2019¹. With moderate upcoming supply in Seoul, increase in inbound travellers is expected to continue driving the performance of the hotel market.

International arrivals into Singapore remained healthy with YTD May 2019 figures posting a 1.5% y-o-y growth to 7.8 million², and greater connectivity to Singapore via new air routes is expected to continue driving inbound arrivals. Amidst relatively modest supply, the growth in inbound travellers bodes well for the hotel sector in the near term but weaker corporate demand will pose headwinds for the sector.

Proposed Combination

On 3 July 2019, A-HTRUST and Ascott Residence Trust jointly announced a proposed combination, which will result in the combined entity becoming the largest hospitality trust in Asia Pacific and amongst the largest globally ("Combination"). The Combination will be effected by way of a trust scheme of arrangement. Indicatively, the scheme meeting to obtain A-HTRUST stapled securityholders' approval on the scheme is expected to be held in October 2019, and the Combination is expected to complete by December 2019.

Please refer to the joint announcement dated 3 July 2019 for further information on the Combination.

¹ Source: Korea Tourism Organisation.

² Source: Singapore Tourism Board.

11 Distributions

(a) Current financial period

Any distribution declared for the current financial period? Nil

(b) Corresponding period of the immediately preceding year

Any distributions declared for the corresponding period of the immediate preceding financial period? Nil

(c) Date payable Not applicable

(d) Book closure date Not applicable

12 If no distribution has been declared (recommended), a statement to that effect

No distribution has been declared or recommended for the current quarter ended 30 June 2019.

13 If the Group has obtained general mandate from unit holders for IPT, the aggregate value of such transactions are required under Rule 920(a)(ii). If no IPT mandate has been obtained, a statement to that effect

A-HTRUST did not obtain a general mandate from Stapled Securityholders for IPTs.

14 Disclosure pursuant to Rule 705(5) of listing manual

Pursuant to Listing Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Managers confirm to the best of their knowledge, that nothing has come to their attention which may render these financial results to be false or misleading in any material aspect.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 under rule 720(1)).

The Managers confirm that they have procured undertakings from all Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

This release may contain forward-looking statements that involve assumptions, 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 and foreign exchange rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

By Order of the Board
Ascendas Hospitality Fund Management Pte. Ltd.
(Company Registration No. 201133966D)
(As manager of Ascendas Hospitality Real Estate Investment Trust)

Mary Judith de Souza
Company Secretary

By Order of the Board
Ascendas Hospitality Trust Management Pte. Ltd.
(Company Registration No. 201135524E)
(As trustee-manager of Ascendas Hospitality Business Trust)

Mary Judith de Souza
Company Secretary

1 August 2019

ASU/RHC/61024995/LWH/HYO

Perpetual (Asia) Limited
(in its capacity as Trustee of Ascendas Hospitality Real Estate
Investment Trust) (the "Trustee")
8 Marina Boulevard
#05-02 Marina Bay Financial Centre Tower 1
Singapore 018981

Attention : Ms Sin Li Choo

The Board of Directors
Ascendas Hospitality Trust Management Pte. Ltd.
(in its capacity as Trustee-Manager of Ascendas Hospitality Business Trust)
(the "Trustee-Manager")
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

The Board of Directors
Ascendas Hospitality Fund Management Pte. Ltd.
(in its capacity as Manager of Ascendas Hospitality Real Estate
Investment Trust) (the "REIT Manager")
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

(the REIT Manager and the Trustee-Manager collectively termed as the "Managers")

Dear Sirs

Ascendas Hospitality Trust
Review of interim financial information for the three-month period ended 30 June 2019

Introduction

We have reviewed the accompanying interim financial information of Ascendas Hospitality Trust ("A-HTRUST" or the "Trust") and its subsidiaries (collectively, the "Stapled Group"), a stapled group comprising of Ascendas Hospitality Real Estate Investment Trust ("A-HREIT") and its subsidiaries (collectively, the "A-HREIT Group") and Ascendas Hospitality Business Trust ("A-HBT") and its subsidiaries (collectively, the "A-HBT Group"), for the three-month period ended 30 June 2019 (the "Interim Financial Information"). The Interim Financial Information comprises the following:

- Consolidated balance sheets of A-HREIT Group, A-HBT Group and the Stapled Group as at 30 June 2019;
- Investment property portfolio statement of A-HREIT Group as at 30 June 2019;

- Consolidated income statements of A-HREIT Group, A-HBT Group and the Stapled Group for the three-month period ended 30 June 2019;
- Consolidated statements of comprehensive income of A-HREIT Group, A-HBT Group and the Stapled Group for the three-month period ended 30 June 2019;
- Statement of total return of A-HREIT Group for the three-month period ended 30 June 2019;
- Consolidated distribution statements of A-HREIT Group, A-HBT Group and the Stapled Group for the three-month period ended 30 June 2019;
- Consolidated statements of changes in stapled securityholders' funds of A-HREIT Group, A-HBT Group and the Stapled Group for the three-month period ended 30 June 2019;
- Consolidated statements of cash flows of A-HREIT Group, A-HBT Group and the Stapled Group for the three-month period ended 30 June 2019; and
- Certain explanatory notes to the above Interim Financial Information.

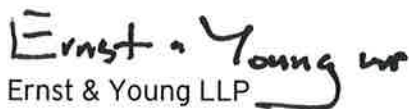
The Managers are responsible for the preparation and presentation of the Interim Financial Information in accordance with Singapore Financial Reporting Standards (International) 1-34 *Interim Financial Reporting* ("SRFS(I) 1-34"). Our responsibility is to express an opinion on this Interim Financial 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 Interim 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 Interim Financial Information is not prepared, in all material respects, in accordance with SFRS(I) 1-34.



Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

1 August 2019

LETTER FROM IFA ON THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF A-HTRUST FOR THE THREE MONTHS ENDED 30 JUNE 2019

1 August 2019

Ascendas Hospitality Fund Management Pte. Ltd. (the "**A-HTRUST REIT Manager**")
in its capacity as manager of Ascendas Hospitality Real Estate Investment Trust ("**A-HTRUST REIT**")
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

Ascendas Hospitality Trust Management Pte. Ltd. (the "**A-HTRUST BT Trustee-Manager**")
in its capacity as manager of Ascendas Hospitality Business Trust ("**A-HTRUST BT**")
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

Attention: The Board of Directors

Dear Sir / Madam

THE PROPOSED COMBINATION OF ASCOTT RESIDENCE TRUST AND ASCENDAS HOSPITALITY TRUST ("A-HTRUST") BY WAY OF A TRUST SCHEME OF ARRANGEMENT (THE "PROPOSED COMBINATION")

On 1 August 2019, the Board of Directors of Ascendas Hospitality Trust (the "**Board of Directors**") and the managers of A-HTRUST (being both the A-HTRUST REIT Manager and the A-HTRUST BT Trustee-Manager), (together the "**A-HTRUST Managers**") announced the unaudited consolidated interim financial statements of A-HTRUST and its subsidiaries (collectively, the "**Group**") for the three-month period ended 30 June 2019 (the "**Unaudited Interim Financial Statements**") on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

We have examined the Unaudited Interim Financial Statements and have discussed the same with the A-HTRUST Managers. We have also had discussions with Ernst & Young LLP in its capacity as the independent auditor of the Group in respect to their review of the Unaudited Interim Financial Statements and considered their report dated 1 August 2019.

For the purpose of this letter, we have relied on and assumed the accuracy and completeness of all information provided to, or discussed with, us by the management of the A-HTRUST Managers. Save as provided in this letter, we do not express any opinion on the Unaudited Interim Financial Statements. The directors of the A-HTRUST Managers remain solely responsible for the Unaudited Interim Financial Statements.

Based on the procedures performed and on the basis described above, we are of the opinion that the Unaudited Interim Financial Statements have been prepared by the Managers after due and careful enquiry.



This letter is provided to the Directors solely for the purpose of complying with Rule 25 of the Singapore Code on Take-overs and Mergers and not for any other purpose.

We do not accept responsibility for any person(s), other than the Directors, in respect of, arising out of, or in connection with this letter.

Yours faithfully

Deloitte & Touche Corporate Finance Pte Ltd

A handwritten signature in black ink, appearing to read "Ng Jiak See", written over the company name.

Ng Jiak See
Executive Director