IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO U.S. PERSONS

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Confirmation of Your Representation: In order to be eligible to view the attached information memorandum or make an investment decision with respect to the securities, investors must not be located in the United States (the "**U.S.**") or a U.S. person (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**")). The attached information memorandum is being sent at your request and by accepting the e-mail and accessing the attached information memorandum, you shall be deemed to have represented to us (1) that you are not resident in the U.S. nor a U.S. person, as defined in Regulation S under the Securities Act nor are you acting on behalf of a U.S. person, the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the U.S. and, to the extent you purchase the securities described in the attached information memorandum, you will be doing so pursuant to Regulation S under the Securities Act, and (2) that you consent to delivery of the attached information memorandum and any amendments or supplements thereto by electronic transmission. By accepting this e-mail and accessing the attached information memorandum, if you are an investor in Singapore, you: (A) represent and warrant that you are either an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, or an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore; and (B) agree to be bound by the limitations and restrictions described herein. Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

The attached information memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of DBS Trustee Limited (in its capacity as trustee of CDL Hospitality Real Estate Investment Trust ("**H-REIT**")) (the "**H-REIT Trustee**"), M&C Business Trust Management Limited (in its capacity as trustee-manager of CDL Hospitality Business Trust ("**HBT**")) (the "**HBT Trustee-Manager**"), DBS Bank Ltd., the Trustee (as defined herein), the Agents (as defined herein) or any person who controls any of them or any of their respective directors, officers, employees, agents, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the information memorandum distributed to you in electronic format and the hard copy version.

Restrictions: The attached information memorandum is being furnished in connection with an offering of securities exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the subscription for or purchase of the securities described therein.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE U.S. OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES WHICH ARE IN BEARER FORM ARE SUBJECT TO

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Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission or in the attached information memorandum constitutes an offer or an invitation by or on behalf of the H-REIT Trustee, the HBT Trustee-Manager or DBS Bank Ltd. to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute in the U.S. or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act).

The attached information memorandum or any materials relating to the offering of securities do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering of securities be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering of securities shall be deemed to be made by the dealers or such affiliate on behalf of the H-REIT Trustee or the HBT Trustee-Manager in such jurisdiction. The attached information memorandum may only be communicated to persons in the United Kingdom in circumstances where Section 21(1) of the Financial Services and Markets Act 2000 does not apply.

You are reminded that you have accessed the attached information memorandum on the basis that you are a person into whose possession the attached information memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. **If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.**

Actions that You May Not Take: If you receive the attached information memorandum by e-mail, you should not reply by e-mail, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORISED TO, AND YOU MAY NOT, FORWARD OR DELIVER THE ATTACHED INFORMATION MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH INFORMATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are responsible for protecting against viruses and other destructive items. If you receive the attached information memorandum by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

INFORMATION MEMORANDUM DATED 5 NOVEMBER 2025

CDL HOSPITALITY TRUSTS

DBS Trustee Limited

(Incorporated in the Republic of Singapore on 24 November 1975)
(UEN/Company Registration No. 197502043G)
(in its capacity as trustee of CDL Hospitality Real Estate Investment Trust)

M&C Business Trust Management Limited

(Incorporated in the Republic of Singapore on 17 May 2006)
(UEN/Company Registration No. 200607118H)
(in its capacity as trustee-manager of CDL Hospitality Business Trust)

S$1,500,000,000 Multicurrency Debt Issuance Programme (the "Programme")

This Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of notes (the "**Notes**") and perpetual securities (the "**Perpetual Securities**" and, together with the Notes, the "**Securities**") to be issued from time to time by DBS Trustee Limited (in its capacity as trustee of CDL Hospitality Real Estate Investment Trust ("**H-REIT**")) (the "**H-REIT Trustee**") and M&C Business Trust Management Limited (in its capacity as trustee-manager of CDL Hospitality Business Trust ("**HBT**")) (the "**HBT Trustee-Manager**") (together, the "**Issuers**" and each, an "**Issuer**"), pursuant to the Programme may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in connection with the Programme and application will be made for permission to deal in, and for the listing and quotation of, any Securities to be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the Official List of the SGX-ST. Such permission will be granted when such Securities have been admitted to the Official List of the SGX-ST. There is no assurance that the application to the SGX-ST for permission to deal in, and for the listing and quotation of, the Securities of any Series will be approved. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Approval in-principle from the SGX-ST, admission to the Official List of the SGX-ST and quotation of any Securities on the SGX-ST are not to be taken as an indication of the merits of the Issuers and their subsidiaries (as defined herein) and associated companies (if any), CDL Hospitality Trusts, the Programme or such Securities.

The Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States (the "**U.S.**"), and the Securities may include Bearer Securities (as defined herein) that are subject to U.S. tax law requirements and restrictions. Subject to certain exceptions, the Securities may not be offered, sold or, in the case of Bearer Securities delivered within the U.S. or to, or for the account or benefit of, U.S. persons (as defined in Regulation S of the Securities Act) unless an exemption from the registration requirement of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. Please see the section titled "Subscription, Purchase and Distribution" for further details.

An investment in Securities issued under the Programme involves certain risks. Potential investors should pay attention to the risk factors and considerations set out in the section titled "Risk Factors".

Arranger and Dealer

DBS

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NOTICE

DBS Bank Ltd. (the "**Arranger**") has been appointed by the H-REIT Trustee and the HBT Trustee-Manager (each an "**Issuer**" and together, the "**Issuers**") as the arranger of the S$1,500,000,000 Multicurrency Debt Issuance Programme (the "**Programme**") described herein. Subject to compliance with all relevant laws, regulations and directives, under the Programme, notes (the "**Notes**") and/or perpetual securities (the "**Perpetual Securities**" and, together with the Notes, the "**Securities**") may be issued by each of the Issuers from time to time denominated in Singapore dollars and/or any other currencies.

This Information Memorandum contains information with regard to the Issuers, H-REIT, HBT, the H-REIT Manager (as defined herein), their respective subsidiaries (if any) and the Programme and the Securities. Each of the Issuers, confirms that to the best of its knowledge and belief, this Information Memorandum contains all information with regard to H-REIT, the H-REIT Manager, HBT and the assets of H-REIT and HBT and to the Securities which is material in the context of the Programme or the issue and offering of the Securities, and such information is true and accurate in all material respects, and that the opinions, expectations and intentions (if any) expressed in this Information Memorandum have been carefully considered, are based on all relevant considerations and facts existing at the date of this Information Memorandum and are fairly, reasonably and honestly held and there are no other facts the omission of which in the said context would make any such information or expressions of opinion, expectation or intention misleading in any material respect.

Notes may be issued in Series (as defined herein) having one or more issue dates and the same maturity date, and on identical terms (including as to listing) except (in the case of Notes other than Variable Rate Notes (as described under the section titled "Summary of the Programme")) for the issue dates, issue prices and/or the dates of the first payment of interest, or (in the case of Variable Rate Notes) for the issue prices and rates of interest. Each Series may be issued in one or more Tranches (as defined herein) on the same or different issue dates. The Notes will be issued in bearer form or registered form and may be listed on a stock exchange. The Notes will initially be represented by a Temporary Global Security (as defined herein) in bearer form, a Permanent Global Security (as defined herein) in bearer form or a registered Global Certificate (as defined herein) which will be deposited on the relevant issue date with or registered in the name of, or in the name of a nominee of, either CDP (as defined herein) or a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") or otherwise delivered as agreed between the Relevant Issuer (as defined herein) and the relevant Dealer(s) (as defined herein). Interests in a Temporary Global Security will be exchangeable, in whole or in part, for interests in a Permanent Global Security or Definitive Securities or Certificates (as indicated in the applicable Pricing Supplement). Subject to compliance with all relevant laws, regulations and directives, the Notes may have maturities of such tenor as may be agreed between the Relevant Issuer and the relevant Dealer(s) and may be subject to redemption or purchase in whole or in part. The Notes may bear interest at a fixed, floating, variable or hybrid rate or may not bear interest or may be such other notes as may be agreed between the Relevant Issuer and the relevant Dealer(s). The Notes will be repayable at par, at a specified amount above or below par or at an amount determined by reference to a formula, in each case with terms as specified in the Pricing Supplement issued in relation to each Series or Tranche of Notes (the "**Redemption Amount**"). Details applicable to each Series or Tranche of Notes will be specified in the applicable Conditions (as defined herein) of the Notes as amended and/or supplemented by the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

Perpetual Securities may be issued in Series having one or more issue dates and on identical terms (including as to listing) except for the issue dates, issue prices and/or the dates of the first payment of distribution. Each Series may be issued in one or more Tranches on the same or different issue dates. The Perpetual Securities will be issued in bearer form or registered form and may be listed on a stock exchange. The Perpetual Securities will initially be represented by either a Temporary Global Security in bearer form or a Permanent Global Security in bearer form or a registered Global Certificate which will be deposited on the relevant issue date with or registered in the name of, or in the name of a nominee of, either CDP or a common depositary for Euroclear and/or Clearstream, Luxembourg or otherwise delivered as agreed between the Relevant Issuer and the relevant Dealer(s). Interests in a Temporary Global Security will be exchangeable, in whole or in part, for interests in a Permanent Global Security or Definitive Securities or Certificates (as indicated in the applicable Pricing Supplement). Subject to compliance with all relevant laws, regulations and directives, the Perpetual Securities may be subject to redemption or purchase in whole or in part. The Perpetual Securities may confer a right to receive distributions at a fixed or floating rate. Details applicable to each Series or Tranche of Perpetual Securities will be specified in the applicable Conditions of the Perpetual Securities as amended and/or supplemented by the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

The maximum aggregate principal amount of the Securities to be issued, when added to the aggregate principal amount of all Securities outstanding (as defined in the Trust Deed referred to below) shall be S$1,500,000,000 (or its equivalent in any other currencies) or such higher amount as may be determined in accordance with the terms of the Programme Agreement (as defined herein).

No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by either of the Issuers, the Arranger, any of the Dealers, the Trustee (as defined herein), any of the Agents (as defined herein) or any of their respective officers, employees or agents. The delivery or dissemination of this Information Memorandum (or any part thereof) at any time after the date of this Information Memorandum does not imply that the information contained in this Information Memorandum or any part of this Information Memorandum is correct at any time after such date. Save as expressly stated in this Information Memorandum, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of either of the Issuers, H-REIT, HBT or any of their respective subsidiaries, associates, other entities to which they are related or CDLHT (collectively, the "**Related Entities**") (if any), the Arranger or any of the Dealers.

Neither this Information Memorandum (or any part thereof) nor any other document or information (or any part thereof) which may be delivered or supplied under or in relation to the Programme or issue and offering of the Securities may be used for the purpose of, and does not constitute an offer of, or solicitation or invitation by or on behalf of either of the Issuers, the Arranger, any of the Dealers or the Trustee to subscribe for, or purchase, the Securities in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution and publication of this Information Memorandum (or any part thereof) or any such other document or information (or any part thereof) and the offer of the Securities in certain jurisdictions may be prohibited or restricted by law. Persons who distribute or publish this Information Memorandum (or any part thereof) or any such other document or information (or any part thereof) or into whose possession this Information Memorandum (or any part thereof) or any such other document or information (or any part thereof) comes are required to inform themselves about and to observe any such prohibitions and restrictions and all applicable laws, orders, rules and regulations.

The Securities have not been, and will not be, registered under the Securities Act (as defined herein) or with any securities regulatory authority of any state or jurisdiction of the United States (the "**U.S.**") and the Securities may include Bearer Securities that are subject to U.S. tax law requirements and restrictions. Subject to certain exceptions, the Securities may not be offered, sold or (in the case of Bearer Securities) delivered within the U.S. or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) unless an exemption from the registration requirement of the Securities Act is available and in accordance with all applicable securities laws of any state of the U.S. and any other jurisdiction. Registered Securities are subject to certain restrictions on transfer. See the section titled "Subscription, Purchase and Distribution" of this Information Memorandum.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme shall be deemed to constitute an offer of, or an invitation by or on behalf of either of the Issuers, the Arranger, any of the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents to subscribe for, or purchase, any of the Securities.

This Information Memorandum and any other documents or materials in relation to the issue, offering or sale of the Securities have been prepared solely for the purpose of the initial sale by the relevant Dealer(s) of the Securities from time to time to be issued pursuant to the Programme. This Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are institutional investors (as defined in Section 4A of the SFA) or accredited investors (as defined in Section 4A of the SFA) and may not be relied upon by any person other than persons to whom the Securities are sold or with whom they are placed by the relevant Dealer(s) as aforesaid or for any other purpose. Recipients of this Information Memorandum shall not reissue, circulate or distribute this Information Memorandum or any part thereof (including copies thereof) in any manner whatsoever.

Neither the delivery or dissemination of this Information Memorandum (or any part thereof) nor the issue, offering, purchase or sale of the Securities shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of either of the Issuers or any of their respective Related Entities or in the information herein since the date hereof or the date on which this Information Memorandum has been most recently amended or supplemented.

The Arranger, the Dealers, the Trustee, the Agents and their respective officers, employees or agents have not separately verified the information contained in this Information Memorandum. None of the Issuers, the Arranger, any of the Dealers, the Trustee, the Agents or any of their respective officers, agents or employees is making any representation, warranty or undertaking, whether express or implied, as to the merits of the Securities or the subscription for, purchase or acquisition thereof, the creditworthiness or financial condition or otherwise of any of the Issuers, H-REIT, HBT or any of their Related Entities. Further, none of the Arranger, the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents makes any representation, warranty or undertaking, whether express or implied, and no responsibility or liability is accepted by the Arranger, any of the Dealers, the Trustee or the Agents or any of their respective officers, employees or agents as to the Issuers, H-REIT, HBT or any of their Related Entities or as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274, 275 and 276 or any other provisions of the SFA) and/or the documents which are referred to or incorporated by reference in, and form part of, this Information Memorandum.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the issue of the Securities is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuers, H-REIT, HBT or their Related Entities, the Arranger, any

of the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents that any recipient of this Information Memorandum or such other document or information (or such part thereof) should subscribe for or purchase any of the Securities. A prospective purchaser and/or subscriber shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of each Relevant Issuer, H-REIT, HBT and their Related Entities, and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Relevant Issuer, H-REIT, HBT and their Related Entities. Accordingly, notwithstanding anything herein, no representation, warranty or undertaking, whether express or implied, is made and none of the Arranger, any of the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents shall be held responsible or liable as to the accuracy or completeness of the information contained in this Information Memorandum or any other information provided by either of the Issuers or any of their respective officers, employees or agents in connection with the Securities or their distribution. Save as aforesaid, none of the Issuers, the Arranger, any of the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents shall be held responsible or liable for any loss or damage suffered or incurred by the recipients of this Information Memorandum or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Information Memorandum or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any subscription, purchase or acquisition of any of the Securities by a recipient of this Information Memorandum or such other document or information (or such part thereof).

To the fullest extent permitted by law, none of the Arranger, the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents accepts any responsibility for the contents of this Information Memorandum or for any other statement made or purported to be made by the Arranger, any of the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents or on their behalf in connection with the Issuers, the H-REIT Group, the HBT Group, CDLHT, the Programme or the issue and offering of the Securities. The Arranger, each Dealer, the Trustee, the Agents and their respective officers, employees or agents accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Information Memorandum or any such statement.

In connection with the issue of any Tranche or Series of Securities, one or more Dealers named as stabilising manager(s) (the "**Stabilising Manager(s)**") (or persons acting on behalf of any Stabilising Manager) in the relevant Pricing Supplement may over-allot Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager) will undertake any stabilisation action. Any stabilisation action may begin at any time, on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche or Series of Securities is made and, if begun, may be ended or discontinued at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche or Series of Securities and 60 days after the date of the allotment of the relevant series of Securities. Any stabilisation action will be conducted in accordance with the law.

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated by reference in, and to form part of, this Information Memorandum: (1) any annual reports, audited consolidated financial statements and/or publicly announced unaudited consolidated financial statements (if available) of the H-REIT Group, HBT Group and CDLHT, (2) any supplement or amendment to this Information Memorandum published from time to time after the date hereof by the Issuers (including each relevant Pricing Supplement) and (3) any announcement made in relation to H-REIT, HBT and/or CDLHT to the SGX-ST by or on behalf of CDLHT. This Information Memorandum is to be read in conjunction with all such documents

which are incorporated by reference herein and, with respect to any Series or Tranche of Securities, any Pricing Supplement in respect of such Series or Tranche. Any statement contained in this Information Memorandum or in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in this Information Memorandum or in such subsequent document that is also deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum. Copies of all documents deemed incorporated by reference herein are available for inspection during usual office hours at the specified office of the Issuing and Paying Agent (as defined herein) and copies of the documents listed in (1) above which are deemed to be incorporated by reference in this Information Memorandum may be obtained at the SGX-ST's website at www.sgx.com.

Website references in this Information Memorandum are intended as guides as to whether other public information relating to the Issuers and their Related Entities may be obtained free of charge. Unless otherwise incorporated by reference, information appearing on such website(s) do not form part of this Information Memorandum or any applicable Pricing Supplement and none of the Issuers, their Related Entities, the Arranger, any of the Dealers, the Trustee or any of the Agents accepts any responsibility whatsoever that such information, if available, is accurate and/or up to date. Such information, if available, should not form the basis of any investment decision by an investor to subscribe for or purchase any of the Securities.

Any subscription, purchase or acquisition of the Securities is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement and the issue of the Securities by the Relevant Issuer pursuant to the Programme Agreement. Any offer, invitation to offer or agreement made in connection with the subscription, purchase or acquisition of the Securities or pursuant to this Information Memorandum shall (without any liability or responsibility on the part of the Relevant Issuer, the Arranger or any of the Dealers) lapse and cease to have any effect if (for any other reason whatsoever) the Securities are not issued by the Relevant Issuer pursuant to the Programme Agreement.

Any discrepancies (if any) in the tables included herein between the listed amounts and totals thereof are due to rounding.

The distribution of this Information Memorandum and the offering of Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum comes are required by the Issuers, the Arranger and the Dealer(s) to inform themselves about and to observe such restrictions.

The attention of recipients of this Information Memorandum is drawn to the restrictions on resale of the Securities set out under the section on "Subscription, Purchase and Distribution" of this Information Memorandum.

Any person(s) who is/are invited to purchase or subscribe for the Securities or to whom this Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Securities or distribute or cause to be distributed any document or other material in connection therewith, including this Information Memorandum, in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to subscribe for or purchase any of the Securities consult their own legal, financial and other advisers before subscribing for, purchasing or acquiring the Securities.

Prospective investors of the Securities are advised to consult their own tax advisers concerning the tax consequences of the subscription, acquisition, ownership or disposal of the Securities.

Notification under Section 309B of the SFA: Unless otherwise stated in the Pricing Supplement in respect of any Securities, all Securities issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

MiFID II PRODUCT GOVERNANCE/TARGET MARKET – The applicable Pricing Supplement in respect of any Securities may include a legend titled "MiFID II Product Governance" which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Securities is a manufacturer in respect of such Securities, but otherwise neither the Arranger nor any of the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE/TARGET MARKET – The applicable Pricing Supplement in respect of any Securities may include a legend titled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. A distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Securities is a manufacturer in respect of such Securities, but otherwise neither the Arranger nor any of the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – If the applicable Pricing Supplement in respect of any Securities includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of

Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – If the applicable Pricing Supplement in respect of any Securities includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the "**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

NOTICE TO CAPITAL MARKET INTERMEDIARIES AND PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE HONG KONG SFC CODE OF CONDUCT – Prospective investors should be aware that certain intermediaries in the context of certain offerings of Securities pursuant to this Programme (each such offering, a "**CMI Offering**"), including certain Dealers, may be "capital market intermediaries" ("**CMIs**") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "**SFC Code**"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" ("**OCs**") for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Relevant Issuer, a CMI or its group companies would be considered under the SFC Code as having an association ("**Association**") with the Relevant Issuer, the CMI or the relevant group company. Prospective investors associated with the Relevant Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Securities and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order, prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Relevant Issuer to all private banks for orders they place (other than in

relation to Securities subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Securities distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer(s), such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer(s) or its group company has more than 50 per cent. interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any relevant Dealer(s), such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer(s) when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealer(s) and/or any other third parties as may be required by the SFC Code, including to the Relevant Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

FORWARD-LOOKING STATEMENTS

All statements contained in this Information Memorandum that are not statements of historical fact constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "expect", "believe", "plan", "intend", "estimate", "anticipate", "may", "will", "would" and "could" or similar words. However, these words are not the exclusive means of identifying forward- looking statements. All statements regarding the expected financial position, business strategy, plans and prospects of the Issuers, H-REIT, HBT, the H-REIT Group, the HBT Group and CDLHT (including the financial forecasts, profit projections, statements as to the expansion plans of the Issuers, H-REIT, HBT, the H-REIT Group, the HBT Group and CDLHT, expected growth of the Issuers, H-REIT, HBT, the H-REIT Group, the HBT Group and CDLHT and other related matters), if any, are forward-looking statements and accordingly, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Issuers, H-REIT, HBT, the H-REIT Group, the HBT Group and CDLHT to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors are discussed in greater detail under the section titled "Risk Factors".

Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Issuers, H-REIT, HBT, the H-REIT Group, the HBT Group and CDLHT to be materially different from the results, performance or achievements expected, expressed or implied by the financial forecasts, profit projections and forward-looking statements in this Information Memorandum, undue reliance must not be placed on those forecasts, projections and statements. The Issuers, H-REIT, HBT, the H-REIT Group, the HBT Group, CDLHT, the Arranger, any of the Dealers, the Trustee and the Agents do not represent or warrant that the actual future results, performance or achievements of the Issuers, H-REIT, HBT, the H-REIT Group, the HBT Group and CDLHT will be as discussed in those statements.

Neither the delivery of this Information Memorandum (or any part thereof) nor the issue, offering, purchase or sale of the Securities by the Issuers shall, under any circumstances, constitute a continuing representation, or create any suggestion or implication, that there has been no change in the business, financial condition, prospects, results of operations or general affairs of the Issuers, H-REIT, HBT, the H-REIT Group, the HBT Group and CDLHT or any statement of fact or information contained in this Information Memorandum since the date of this Information Memorandum or the date on which this Information Memorandum has been most recently amended or supplemented.

Further, the Issuers, H-REIT, HBT, the H-REIT Group, the HBT Group, CDLHT, the Arranger, the Dealers, the Trustee and the Agents disclaim any responsibility, and undertake no obligation, to update or revise any forward-looking statements contained herein to reflect any changes in the expectations with respect thereto after the date of this Information Memorandum or to reflect any change in events, conditions or circumstances on which any such statements are based.

DEFINITIONS

The following definitions have, where appropriate, been used in this Information Memorandum:

"**AEI**"	Asset enhancement initiative.
"**Agency Agreement**"	The agency agreement dated 5 November 2025 made between (1) the Issuers, as issuers, (2) the Agents named therein and (3) the Trustee, as trustee, and as amended, restated or supplemented from time to time.
"**Agents**"	The CDP Issuing and Paying Agent, CDP Transfer Agent, CDP Registrar, CDP Calculation Agent, Non-CDP Issuing and Paying Agent, Non-CDP Transfer Agent, Non-CDP Registrar and Non-CDP Calculation Agent or any of them and shall include such other Agent or Agents as may be appointed from time to time under the Agency Agreement or (as the case may be) the Calculation Agency Agreement.
"**Aggregate Leverage**"	The total borrowings and deferred payments of a real estate investment trust, or such other definition as may from time to time be provided for under the Property Funds Appendix.
"**Arranger**"	DBS Bank Ltd.
"**AY**"	Academic year.
"**Bearer Securities**"	Securities in bearer form, and includes any replacement Bearer Security issued pursuant to the relevant Conditions and any Temporary Global Security or Permanent Global Security.
"**BTA**"	Business Trusts Act 2004 of Singapore, as amended or modified from time to time.
"**BTR**"	Build-to-Rent.
"**Business Day**"	A day (other than Saturday or Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore.
"**Calculation Agency Agreement**"	A calculation agency agreement made between the Relevant Issuer, the Trustee and the relevant Calculation Agent made pursuant to the Programme Agreement.
"**CDL**"	City Developments Limited.
"**CDLHT**" , the "**Group**" or the "**Stapled Group**"	CDL Hospitality Trusts, a stapled group comprising H-REIT and HBT.
"**CDP**" or the "**Depository**"	The Central Depository (Pte) Limited.

"**CDP Calculation Agent**"	The Bank of New York Mellon, Singapore Branch, where so appointed as contemplated under the Agency Agreement in respect of CDP Securities, or its successor in such capacity, or such other calculation agent that may be appointed in such capacity under the Agency Agreement or (as the case may be) the Calculation Agency Agreement.
"**CDP Issuing and Paying Agent**"	The Bank of New York Mellon, Singapore Branch.
"**CDP Registrar**"	The Bank of New York Mellon, Singapore Branch.
"**CDP Securities**"	Each Series or Tranche of Securities which have been or will be cleared through the CDP System.
"**CDP System**"	The computerised system operated by the Depository whereby Securities Accounts are maintained by Depositors with the Depository and, *inter alia*, transfers of the Securities are effected electronically between Securities Accounts.
"**CDP Terms**"	The "Depository Services for Issuers of Debt and Preference Shares – Terms and Conditions" which contains the terms and conditions prescribed by CDP from time to time for the provision of depository services by CDP.
"**CDP Transfer Agent**"	The Bank of New York Mellon, Singapore Branch.
"**Certificate**"	A registered certificate representing one or more Registered Securities of the same Series and, save as provided in the Conditions of the Notes or, as the case may be, the Conditions of the Perpetual Securities, comprising the entire holding by a holder of Registered Securities of that Series.
"**CIS Code**"	The Code on Collective Investment Schemes issued by the MAS (as amended or modified from time to time) pursuant to Section 321 of the SFA.
"**Clearstream, Luxembourg**"	Clearstream Banking S.A., and includes a reference to its successors and permitted assigns.
"**Committed Occupancy**"	Committed occupancy for PBSA is defined as the number of beds under contractual agreements with parties, of which majority are contracted on a 44- or 51-week basis.
"**Common Depositary**"	In relation to a Series of Securities, a depositary common to Euroclear and Clearstream, Luxembourg.
"**Companies Act**"	The Companies Act 1967 of Singapore, as amended or modified from time to time.

"**Conditions**"

(i) in relation to the H-REIT Notes of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Part III of Schedule 1 to the Trust Deed, as modified, with respect to any H-REIT Notes represented by a Global Security or a Global Certificate, by the provisions of such Global Security or, as the case may be, Global Certificate, shall incorporate any additional provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the H-REIT Notes of such Series and shall be endorsed on the Definitive Securities or, as the case may be, Certificates, subject to amendment and completion as referred to in the first paragraph appearing after the heading "Terms and Conditions of the H-REIT Notes" as set out in Part III of Schedule 1 to the Trust Deed, and any reference to a particularly numbered Condition shall be construed accordingly;

(ii) in relation to the HBT Notes of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Part IV of Schedule 1 to the Trust Deed, as modified, with respect to any HBT Notes represented by a Global Security or a Global Certificate, by the provisions of such Global Security or, as the case may be, Global Certificate, shall incorporate any additional provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the HBT Notes of such Series and shall be endorsed on the Definitive Securities or, as the case may be, Certificates, subject to amendment and completion as referred to in the first paragraph appearing after the heading "Terms and Conditions of the HBT Notes" as set out in Part IV of Schedule 1 to the Trust Deed, and any reference to a particularly numbered Condition shall be construed accordingly;

(iii) in relation to the H-REIT Perpetual Securities of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Part III of Schedule 5 to the Trust Deed, as modified, with respect to any H-REIT Perpetual Securities represented by a Global Security or a Global Certificate, by the provisions of such Global Security or, as the case may be, Global Certificate, shall incorporate any additional provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the H-REIT Perpetual Securities of such Series and shall be endorsed on the Definitive Securities or, as the case may be, Certificates, subject to amendment and completion as referred to in the first paragraph appearing after the heading "Terms and Conditions of the H-REIT Perpetual Securities" as set out in Part III of Schedule 5 to the Trust Deed, and any reference to a particularly numbered Condition shall be construed accordingly; and

(iv) in relation to the HBT Perpetual Securities of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Part IV of Schedule 5 to the Trust Deed, as modified, with respect to any HBT Perpetual Securities represented by a Global Security or a Global Certificate, by the provisions of such Global Security or, as the case may be, Global Certificate, shall incorporate any additional provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the HBT Perpetual Securities of such Series and shall be endorsed on the Definitive Securities or, as the case may be, Certificates, subject to amendment and completion as referred to in the first paragraph appearing after the heading "Terms and Conditions of the HBT Perpetual Securities" as set out in Part IV of Schedule 5 to the Trust Deed, and any reference to a particularly numbered Condition shall be construed accordingly.

"**Couponholders**"	The holders of the Coupons.
"**Coupons**"	The bearer coupons (if any) appertaining to an interest or distribution bearing Definitive Security.
"**Dealers**"	Persons appointed as dealers under the Programme.
"**Deeds of Covenant**"	The H-REIT Deed of Covenant and the HBT Deed of Covenant.
"**Definitive Security(ies)**"	A definitive Bearer Security having, where appropriate, Coupons and/or a Talon attached on issue.
"**Depositors**"	Persons (including Depository Agents) having any Securities standing to the credit of their Securities Accounts at that time.
"**Depository Agent**"	A corporation authorised by CDP to maintain the Sub-Accounts.
"**Depository Agreements**"	The H-REIT Depository Agreement and the HBT Depository Agreement.
"**Directors**"	The directors (including alternate directors, if any) of the H-REIT Manager or, as the case may be, the HBT Trustee-Manager, as at the date of this Information Memorandum.
"**DPS**"	Distribution per Stapled Security.
"**ESG**"	Environmental, social and governance.
"**EU**"	European Union.
"**Euroclear**"	Euroclear Bank SA/NV, and includes a reference to its successors and permitted assigns.

"**Extraordinary Resolution**"	A resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority of at least 75 per cent. of the votes cast.
"**FY**"	Financial year ended or ending 31 December.
"**Global Certificate**"	A global Certificate representing Registered Securities of one or more Tranches of the same Series that are registered in the name of, or in the name of a nominee of, (1) the Common Depositary, (2) CDP and/or (3) any other clearing system.
"**Global Security**"	A global Security representing Bearer Securities of one or more Tranches of the same Series, being a Temporary Global Security and/or, as the context may require, a Permanent Global Security, in each case without Coupons or a Talon.
"**HBT**"	A business trust constituted under the HBT Trust Deed and the Business Trusts Act 2004 of Singapore, and known as "CDL Hospitality Business Trust" or by such other name as the HBT Trustee-Manager may from time to time determine.
"**HBT Depository Agreement**"	The application form dated 5 November 2025 relating to the provision of depository services by CDP and indicating, amongst other things, the HBT Trustee-Manager's agreement to be bound by the CDP Terms, executed by the HBT Trustee-Manager, as issuer, in favour of CDP, as depository and as further amended, modified or supplemented from time to time.
"**HBT Deed of Covenant**"	The deed of covenant dated 5 November 2025 executed by the HBT Trustee-Manager, as issuer, by way of deed poll in relation to the Securities (which are represented by Global Securities or Global Certificates and which are deposited with CDP), and as further amended, varied or supplemented from time to time.
"**HBT Group**"	HBT and its subsidiaries.
"**HBT Notes**"	Multicurrency medium term notes of the HBT Trustee-Manager, issued or to be issued under the Programme and constituted by the Trust Deed (and shall, where the context so admits, include the Global Securities and the Definitive Securities and any related Coupons and Talons, the Global Certificates and the Certificates relating thereto).
"**HBT Perpetual Securities**"	Multicurrency perpetual securities of the HBT Trustee-Manager, issued or to be issued under the Programme and constituted by the Trust Deed (and shall, where the context so admits, include the Global Securities and the Definitive Securities and any related Coupons and Talons, the Global Certificates and the Certificates relating thereto).

"**HBT Trust Deed**"	The trust deed dated 12 June 2006 executed by the HBT Trustee-Manager constituting HBT, as supplemented by a first supplemental deed dated 3 May 2016, a second supplemental deed dated 30 April 2018 and a third supplemental deed dated 22 April 2022 and as amended, modified, supplemented, varied and/or restated from time to time.
"**HBT Trustee-Manager**"	M&C Business Trust Management Limited (in its capacity as trustee-manager of HBT).
"**HBT Unit**"	An undivided interest in HBT.
"**HBT Unitholders**"	The holders from time to time of the HBT Units.
"**H-REIT**"	A unit trust constituted under the H-REIT Trust Deed and known as "CDL Hospitality Real Estate Investment Trust" or by such other name as the H-REIT Manager (with the approval of H-REIT Trustee) may from time to time determine, which is an authorised scheme under the SFA.
"**H-REIT Deed of Covenant**"	The deed of covenant dated 5 November 2025 executed by the H-REIT Trustee, as issuer, by way of deed poll in relation to the Securities (which are represented by Global Securities or Global Certificates and which are deposited with CDP), and as further amended, varied or supplemented from time to time.
"**H-REIT Deposited Property**"	The gross assets of H-REIT, including the Properties and all the authorised investments of H-REIT for the time being held or deemed to be held by the H-REIT Trustee under the H-REIT Trust Deed.
"**H-REIT Depository Agreement**"	The application form dated 5 November 2025 relating to the provision of depository services by CDP and indicating, amongst other things, the H-REIT Trustee's agreement to be bound by the CDP Terms executed by the H-REIT Trustee, as issuer, in favour of CDP, as depository and as further amended, modified or supplemented from time to time.
"**H-REIT Group**"	H-REIT and its subsidiaries.
"**H-REIT Manager**"	M&C REIT Management Limited (in its capacity as manager of H-REIT).
"**H-REIT Notes**"	Multicurrency medium term notes of the H-REIT Trustee, issued or to be issued under the Programme and constituted by the Trust Deed (and shall, where the context so admits, include the Global Securities and the Definitive Securities and any related Coupons and Talons, the Global Certificates and the Certificates relating thereto).

"**H-REIT Perpetual Securities**"	Multicurrency perpetual securities of the H-REIT Trustee, issued or to be issued under the Programme and constituted by the Trust Deed (and shall, where the context so admits, include the Global Securities and the Definitive Securities and any related Coupons and Talons, the Global Certificates and the Certificates relating thereto).
"**H-REIT Trust Deed**"	The trust deed dated 8 June 2006 made between (1) the H-REIT Manager, as manager of H-REIT, and (2) the H-REIT Trustee, as trustee of H-REIT, constituting H-REIT, as supplemented by a first supplemental deed dated 11 January 2007, a second supplemental deed dated 26 March 2010, a third supplemental deed dated 20 July 2010, a fourth supplemental deed dated 27 April 2016, a fifth supplemental deed dated 3 May 2016, a sixth supplemental deed dated 30 April 2018, a seventh supplemental deed dated 13 April 2020 and an eighth supplemental deed dated 22 April 2022 and as amended, modified, supplemented, varied and/or restated from time to time.
"**H-REIT Trustee**"	DBS Trustee Limited (in its capacity as trustee of H-REIT).
"**H-REIT Unit**"	An undivided interest in H-REIT.
"**H-REIT Unitholders**"	The holders from time to time of the H-REIT Units.
"**IRAS**"	Inland Revenue Authority of Singapore.
"**Issuers**"	The H-REIT Trustee and the HBT Trustee-Manager, and "**Issuer**" means either of them.
"**Issuing and Paying Agents**"	The CDP Issuing and Paying Agent (in the case of CDP Securities) and the Non-CDP Issuing and Paying Agent (in the case of Non-CDP Securities) and "**Issuing and Paying Agent**" means either of them.
"**ITA**"	Income Tax Act 1947 of Singapore, as amended or modified from time to time.
"**Latest Practicable Date**"	30 October 2025.
"**M&C**" or "**Sponsor**"	Millennium & Copthorne Hotels Limited.
"**Managers**"	The H-REIT Manager and the HBT Trustee-Manager.
"**Managers' Boards**"	The boards of the H-REIT Manager and the HBT Trustee-Manager.

"**Management Companies**"	The hotel operators and the property management companies of certain of the Properties, which as at the Latest Practicable Date relate to the following: (i) W Singapore – Sentosa Cove; (ii) Mercure Perth; (iii) Ibis Perth; (iv) The Halcyon Private Isles Maldives, Autograph Collection[1]; (v) Hotel MyStays Asakusabashi; (vi) Hotel MyStays Kamata; (vii) Hilton Cambridge City Centre; (viii) Hotel Indigo Exeter; (ix) The Castings; (x) Benson Yard; (xi) Claymore Connect; (xii) Retail and office units at Pullman Hotel Munich; and (xiii) Retail units at Hotel Indigo Exeter.
"**Management Contracts**"	The management contracts entered into between the H-REIT Group or the HBT Group and the relevant Management Companies which provide hotel or property management services to the H-REIT Group or, as the case may be, the HBT Group, which as at the Latest Practicable Date relate to the Properties set out in the definition of "Management Companies".
"**MAS**"	Monetary Authority of Singapore.

[1] Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.

"**Master Lease Agreements**"	Each of the master lease agreements entered into between CDLHT and the relevant Master Lessees which as at the Latest Practicable Date relate to the following Properties: (i) Orchard Hotel; (ii) Grand Copthorne Waterfront Hotel; (iii) M Hotel; (iv) Copthorne King's Hotel; (v) Studio M Hotel; (vi) Grand Millennium Auckland; (vii) Angsana Velavaru; (viii) Pullman Hotel Munich; (ix) Hotel Cerretani Firenze – MGallery; and (x) voco Manchester – City Centre.
"**Master Lessees**"	The master lessees which have entered into master lease agreements with the H-REIT Group, more particularly described in paragraph 3.2 of the section entitled "3. OWNERSHIP AND OPERATIONAL STRUCTURES OF ASSETS" on page 282 of this Information Memorandum, which as at the Latest Practicable Date are the following: (i) the Sponsor Group in relation to Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel, Studio M Hotel and Grand Millennium Auckland; (ii) Maldives Bay Pvt Ltd (subsidiary of Banyan Tree Holdings Limited) in relation to Angsana Velavaru; (iii) UP Hotel Operations GmbH & Co. KG (a wholly-owned subsidiary of EVENT Hotels) in relation to Pullman Hotel Munich; (iv) FC Operations Hotel SRL (affiliated to EVENT Hotels) in relation to Hotel Cerretani Firenze – MGallery; and (v) HLD (Manchester) Limited in relation to voco Manchester – City Centre.
"**Non-CDP Calculation Agent**"	The Bank of New York Mellon, London Branch, where so appointed as contemplated under the Agency Agreement in respect of Non-CDP Securities, or its successor in such capacity, or such other calculation agent that may be appointed in such capacity under the Agency Agreement or (as the case may be) the Calculation Agency Agreement.

"**Non-CDP Issuing and Paying Agent**"	The Bank of New York Mellon, London Branch.
"**Non-CDP Registrar**"	The Bank of New York Mellon SA/NV, Dublin Branch.
"**Non-CDP Securities**"	Each Series or Tranche of Securities other than CDP Securities.
"**Non-CDP Transfer Agent**"	The Bank of New York Mellon SA/NV, Dublin Branch.
"**Noteholders**"	The holders of the Notes.
"**Notes**"	The H-REIT Notes and/or the HBT Notes, as the context requires.
"**NPI**"	Net property income.
"**Paying Agents**"	The Issuing and Paying Agents and such further or other Paying Agent or Paying Agents as may be appointed from time to time under the Agency Agreement.
"**PBSA**"	Purpose-built student accommodation.
"**PDPA**"	Personal Data Protection Act 2012 of Singapore, as amended or modified from time to time.
"**Permanent Global Security**"	A Global Security representing Bearer Securities of one or more Tranches of the same Series, either on issue or upon exchange of interests in a Temporary Global Security.
"**Perpetual Securities**"	The H-REIT Perpetual Securities and/or the HBT Perpetual Securities, as the context requires.
"**Perpetual Securityholders**"	The holders of the Perpetual Securities.
"**Pricing Supplement**"	In relation to a Tranche or Series, a pricing supplement, to be read in conjunction with this Information Memorandum, issued by the Relevant Issuer and specifying the relevant issue details in relation to such Tranche or, as the case may be, Series.
"**Programme**"	The S$1,500,000,000 Multicurrency Debt Issuance Programme of the Issuers.
"**Programme Agreement**"	The programme agreement dated 5 November 2025 and made between (1) the Issuers, as issuers, (2) DBS Bank Ltd., as arranger, and (3) DBS Bank Ltd., as dealer, and as further amended, restated, varied or supplemented from time to time.
"**Properties**"	The properties owned by the H-REIT Group and the HBT Group, which as at the Latest Practicable Date comprise 22 properties.
"**Property Funds Appendix**"	Appendix 6 to the CIS Code, as amended, varied or supplemented from time to time.

"**Property Holding Entities**"	Entities which own the Properties through the Property Owning Entities.
"**Property Owning Entities**"	Entities which have direct ownership of the Properties.
"**Registered Securities**"	Securities in registered form.
"**Registrar**"	The CDP Registrar (in the case of CDP Securities) or the Non-CDP Registrar (in the case of Non-CDP Securities), in its capacity as registrar under the Agency Agreement, or its successor in such respective capacity.
"**REIT**"	Real estate investment trust.
"**Relevant Issuer**"	In relation to any Tranche or Series of Securities, the Issuer which has concluded an agreement with the relevant Dealer(s) to issue, or which has issued, the Securities of that Tranche or Series.
"**Retail Properties**"	Claymore Connect and the retail and office units comprised in the Properties, which as at the Latest Practicable Date means the retail and office units at Pullman Hotel Munich, the retail units at Hotel Indigo Exeter and the retail units in The Castings.
"**RevPAR**"	Revenue per available room.
"**Securities**"	The Notes and the Perpetual Securities.
"**Securities Accounts**"	The securities accounts of the Depositors maintained with the Depository (but does not include Sub-Accounts).
"**Securities Act**"	Securities Act of 1933 of the United States, as amended or modified from time to time.
"**Securityholders**"	The Noteholders and the Perpetual Securityholders.
"**Self-Managed Properties**"	Properties which are self-managed, which as at the Latest Practicable Date relate to The Lowry Hotel.
"**Senior Perpetual Securities**"	Perpetual Securities which are expressed to rank as senior obligations of the Relevant Issuer.
"**Series**"	(1) (in relation to Securities other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (a) expressed to be consolidated and forming a single series and (b) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of (in the case of Notes other than Variable Rate Notes) interest or (in the case of Perpetual Securities) distribution; and (2) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest.

"**SFA**"	Securities and Futures Act 2001 of Singapore, as amended or modified from time to time.
"**SGX-ST**"	Singapore Exchange Securities Trading Limited.
"**Sponsor Group**"	Millennium & Copthorne Hotels Limited and its group of companies.
"**Stapled Securities**"	Stapled securities in CDLHT, each comprising of one H-REIT Unit and one HBT Unit stapled together under the terms of the Stapling Deed.
"**Stapled Securityholders**"	Holders of Stapled Securities.
"**Stapling Deed**"	The stapling deed dated 12 June 2006 made between (1) the H-REIT Manager, as manager of H-REIT, (2) the H-REIT Trustee, as trustee of H-REIT and (3) the HBT Trustee-Manager, as trustee-manager of HBT, as supplemented by a supplemental stapling deed dated 30 April 2018 made between the same parties and as further amended, modified or supplemented from time to time.
"**Sub-Accounts**"	The securities sub-accounts maintained by each Depository Agent for its own account and for the account of its clients.
"**Subordinated Perpetual Securities**"	Perpetual Securities which are expressed to rank as subordinated obligations of the Relevant Issuer.
"**Subsidiary**" or "**subsidiary**"	Any company which is for the time being, a subsidiary within the meaning of Section 5 of the Companies Act, and in relation to H-REIT or HBT, means any company, corporation, trust, fund or other entity (whether or not a body corporate): (a) which is controlled, directly or indirectly, by H-REIT (through its trustee) or HBT (through its trustee-manager); (b) more than half the shares or interests of which is beneficially owned, directly or indirectly, by H-REIT (through its trustee) or HBT (through its trustee-manager); or (c) which is a subsidiary of any company, corporation, trust, fund or other entity (whether or not a body corporate) to which paragraph (a) or (b) above applies, and for these purposes, any company, corporation, trust, fund or other entity (whether or not a body corporate) shall be treated as being controlled by H-REIT or HBT if H-REIT (whether through its trustee or otherwise) or HBT (whether through its trustee-manager or otherwise) is able to direct its affairs and/or to control the composition of its board of directors or equivalent body or control more than half of the voting power of such company, corporation, trust, fund or other entity.

"**sq m**"	Square meters.
"**Talons**"	Talons for further Coupons or, as the context may require, a specific number of them and includes any replacement Talons issued pursuant to the Conditions.
"**Tax Ruling**"	The tax ruling dated 7 February 2006 issued by the IRAS on the taxation of H-REIT and the holders of the Stapled Securities, as the same may be modified, amended, supplemented, revised or replaced from time to time.
"**Temporary Global Security**"	A Global Security representing Bearer Securities of one or more Tranches of the same Series on issue.
"**Tranche**"	Securities which are identical in all respects (including as to listing).
"**Transaction Documents**"	Collectively, the Trust Deed, the Agency Agreement, the Depository Agreements and the Deeds of Covenant, as from time to time amended, restated or supplemented, and any document which amends, varies or supplements that Transaction Document.
"**Transfer Agent**"	In the case of CDP Securities, the CDP Transfer Agent or, in the case of Non-CDP Securities, the Non-CDP Transfer Agent, as transfer agent (or such further or other transfer agent or agents as may be appointed from time to time hereunder or its successor in such capacity).
"**Trust Deed**"	The trust deed dated 5 November 2025 made between (1) the Issuers, as issuers, and (2) the Trustee, as trustee, and as further amended, restated or supplemented from time to time.
"**Trustee**"	The Bank of New York Mellon, Singapore Branch, in its capacity as trustee under the Trust Deed, or its successors in such capacity.
"**United States**" or "**U.S.**"	United States of America.
"**UK**"	United Kingdom.
"**Variable Rate Notes**"	Notes which are to bear interest on the basis of a variable rate (in accordance with Condition 5(II)(c) of the H-REIT Notes or, as the case may be, Condition 5(II)(c) of the HBT Notes).
"**Zero Coupon Notes**"	Notes which may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment (in accordance with Condition 5(IV) of the H-REIT Notes or, as the case may be, Condition 5(IV) of the HBT Notes.
"**A$**"	Australian dollars.

"**€**" or "**Euro**"	Euro.
"**JPY**"	Japanese yen.
"**NZ$**"	New Zealand dollars.
"**£**" or "**GBP**"	Pounds sterling.
"**S$**" or "**$**" and "**cents**"	Singapore dollars and cents respectively.
"**US$**" or "**US dollars**"	United States dollars.
"**%**"	Per cent.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations. Any reference to a time of day in this Information Memorandum shall be a reference to Singapore time unless otherwise stated. Any reference in this Information Memorandum to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the SFA or any statutory modification thereof and used in this Information Memorandum shall, where applicable, have the meaning ascribed to it under the Companies Act or, as the case may be, the SFA.

CORPORATE INFORMATION

H-REIT Trustee

Registered Office	12 Marina Boulevard Level 44 Marina Bay Financial Centre Tower 3 Singapore 018982

H-REIT Manager and HBT Trustee-Manager

Board of Directors	Mr Chan Soon Hee, Eric Mr Vincent Yeo Wee Eng Mr Kenny Kim Ms Cheah Sui Ling Mr Kwek Eik Sheng Ms Eng Chin Chin
Company Secretaries	Ms Enid Ling Peek Fong Ms Soo Lai Sun
Registered Office	9 Raffles Place, #12-01 Republic Plaza Singapore 048619
Auditors for CDLHT	KPMG LLP 12 Marina View #15-01 Asia Square Tower 2 Singapore 018961
Arranger of the Programme	DBS Bank Ltd. 12 Marina Boulevard Level 42 Marina Bay Financial Centre Tower 3 Singapore 018982
Legal Advisers to the Arranger	WongPartnership LLP 12 Marina Boulevard Level 28 Marina Bay Financial Centre Tower 3 Singapore 018982
Legal Advisers to the Issuers	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Non-CDP Issuing and Paying Agent and Non-CDP Calculation Agent	The Bank of New York Mellon, London Branch 160 Queen Victoria Street London EC4V 4LA United Kingdom

Non-CDP Registrar and Non-CDP Transfer Agent	The Bank of New York Mellon SA/NV, Dublin Branch The Shipping Office 20-26 Sir John Rogerson's Quay Dublin 2, D02 Y049 Ireland
CDP Issuing and Paying Agent, CDP Calculation Agent, CDP Registrar and CDP Transfer Agent	The Bank of New York Mellon, Singapore Branch One Temasek Avenue #02-01 Millenia Tower Singapore 039192
Trustee for the Securityholders	The Bank of New York Mellon, Singapore Branch One Temasek Avenue #02-01 Millenia Tower Singapore 039192
Legal Advisers to the Trustee	WongPartnership LLP 12 Marina Boulevard Level 28 Marina Bay Financial Centre Tower 3 Singapore 018982

SUMMARY OF THE PROGRAMME

Issuers	:	DBS Trustee Limited (in its capacity as trustee of CDL Hospitality Real Estate Investment Trust). M&C Business Trust Management Limited (in its capacity as trustee-manager of CDL Hospitality Business Trust).
Legal Entity Identifier	:	DBS Trustee Limited (in its capacity as trustee of CDL Hospitality Real Estate Investment Trust): 254900LOUWQ60MRQQG96 M&C Business Trust Management Limited (in its capacity as trustee-manager of CDL Hospitality Business Trust): 254900200LNPF2J74F55
Arranger	:	DBS Bank Ltd.
Dealers	:	DBS Bank Ltd. and/or such other Dealers as may be appointed by the Issuers in accordance with the Programme Agreement.
Trustee	:	The Bank of New York Mellon, Singapore Branch.
CDP Issuing and Paying Agent, CDP Calculation Agent, CDP Transfer Agent and CDP Registrar	:	The Bank of New York Mellon, Singapore Branch.
Non-CDP Issuing and Paying Agent and Non-CDP Calculation Agent	:	The Bank of New York Mellon, London Branch.
Non-CDP Registrar and Non-CDP Transfer Agent	:	The Bank of New York Mellon SA/NV, Dublin Branch.
Description	:	S$1,500,000,000 Multicurrency Debt Issuance Programme.
Programme Size	:	The maximum aggregate principal amount of the Securities outstanding at any time shall be S$1,500,000,000 (or its equivalent in any other currencies) or such higher amount as may be determined in accordance with the provisions of the Programme Agreement.
Currency	:	Subject to compliance with all relevant laws, regulations and directives, Securities may be issued in Singapore Dollars or any other currency agreed between the Relevant Issuer and the relevant Dealer(s).
Method of Issue	:	Securities may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.

Issue Price	:	Securities may be issued at par or at a discount, or premium, to par.
Form and Denomination	:	The Securities will be issued in bearer form or registered form and in such denominations as may be agreed between the Relevant Issuer and the relevant Dealer(s). Each Tranche or Series of Bearer Securities may initially be represented by a Temporary Global Security in bearer form or a Permanent Global Security in bearer form or a registered Global Certificate. Each Temporary Global Security may be deposited on the relevant issue date with either CDP or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Security or Definitive Securities (as indicated in the applicable Pricing Supplement). Each Permanent Global Security may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for Definitive Securities upon the terms therein. Each Global Certificate may be registered in the name of, or in the name of a nominee of, either CDP or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other agreed clearing system and may be exchanged, upon request as described therein, in whole (but not in part) for Certificates upon the terms therein. Save as provided in the Conditions of the Securities, a Certificate shall be issued in respect of each Securityholder's entire holding of registered Securities of one Series.
Custody	:	Securities which are to be listed on the SGX-ST may be cleared through CDP. Securities which are to be cleared through CDP are required to be kept with CDP as authorised depository. Securities which are cleared through Euroclear and/or Clearstream, Luxembourg are required to be kept with a Common Depositary.
Taxation	:	All payments in respect of the Securities and Coupons by or on behalf of the Relevant Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Relevant Issuer shall pay such additional amounts as will result in the receipt by the Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, see the section on "*Singapore Taxation*".

Listing	:	Each Series of the Securities may, if so agreed between the Relevant Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the Relevant Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained. If the application to the SGX-ST to list a particular series of Securities is approved, for so long as such Securities are listed on the SGX-ST and the rules of the SGX-ST so require, such Securities will be traded on the SGX-ST in a minimum board lot size of at least S$200,000 (or its equivalent in foreign currencies).
Selling Restrictions	:	For a description of certain restrictions on offers, sales and deliveries of the Securities and the distribution of offering material relating to the Securities, see the section titled "Subscription, Purchase and Distribution" in this Information Memorandum. Further restrictions may apply in connection with any particular Series or Tranche of Securities.
Governing Law	:	The Programme and any Securities issued under the Programme will be governed by, and shall be construed in accordance with, the laws of Singapore.

NOTES

Maturities	:	Subject to compliance with all relevant laws, regulations and directives, Notes may have maturities of such tenor as may be agreed between the Relevant Issuer and the relevant Dealer(s).
Mandatory Redemption	:	Unless previously redeemed or purchased and cancelled, each Note will be redeemed at its redemption amount on the maturity date shown on its face.
Interest Basis	:	Notes may bear interest at fixed, floating, variable or hybrid rates or such other rates as may be agreed between the Relevant Issuer and the relevant Dealer(s) or may not bear interest.
Fixed Rate Notes	:	Fixed Rate Notes will bear a fixed rate of interest which will be payable in arrear on specified dates and at maturity.
Floating Rate Notes	:	Floating Rate Notes which are denominated in Singapore dollars will bear interest to be determined separately for each Series by reference to Singapore Overnight Rate Average ("**SORA**") (or such other benchmark as may be agreed between the Relevant Issuer and the relevant Dealer(s)), as adjusted for any applicable spread. Interest periods in relation to the Floating Rate Notes will be agreed between the Relevant Issuer and the relevant Dealer(s) prior to their issue. Floating Rate Notes which are denominated in other currencies will bear interest to be determined separately for each Series by reference to such other benchmark as may be agreed between the Relevant Issuer and the relevant Dealer(s).

Variable Rate Notes	:	Variable Rate Notes will bear interest at a variable rate determined in accordance with the Conditions of the Notes. Interest periods in relation to the Variable Rate Notes will be agreed between the Relevant Issuer and the relevant Dealer(s) prior to their issue.
Hybrid Notes	:	Hybrid Notes will bear interest, during the fixed rate period to be agreed between the Relevant Issuer and the relevant Dealer(s), at a fixed rate of interest which will be payable in arrears on specified dates and, during the floating rate period to be agreed between the Relevant Issuer and the relevant Dealer(s), at the rate of interest to be determined by reference to SORA (in the case of Hybrid Notes denominated in Singapore dollars), as adjusted for any applicable spread (provided that if the Hybrid Notes are denominated in a currency other than Singapore dollars, such Hybrid Notes will bear interest to be determined separately by reference to such benchmark as may be agreed between the Relevant Issuer and the relevant Dealer(s)), in each case payable at the end of each interest period to be agreed between the Relevant Issuer and the relevant Dealer(s).
Zero Coupon Notes	:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.
Status of the Notes	:	The Notes and Coupons of all Series will constitute direct, unconditional, unsubordinated and unsecured obligations of the Relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Relevant Issuer.
Redemption and Purchase	:	If so provided on the face of the Notes and the relevant Pricing Supplement, Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the Relevant Issuer and/or the Noteholders. Further, if so provided on the face of the Notes and the relevant Pricing Supplement, Notes may be purchased by the Relevant Issuer (either in whole or in part) prior to their stated maturity at the option of the Relevant Issuer and/or Noteholders.

Redemption for Taxation Reasons – H-REIT Notes only	:	If so provided on the face of such Notes, the Notes may be redeemed at the option of the H-REIT Trustee in whole, but not in part, on any Interest Payment Date (as specified in the relevant Pricing Supplement) or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their redemption amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as determined in accordance with Condition 6(h) of the H-REIT Notes) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the H-REIT Trustee has or will become obliged to pay additional amounts as provided or referred to in Condition 8 of the H-REIT Notes, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date (as defined in the Trust Deed) or any other date specified in the relevant Pricing Supplement, and (ii) such obligations cannot be avoided by the H-REIT Trustee taking reasonable measures available to it (which shall not require the H-REIT Trustee to incur unreasonable costs), provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the H-REIT Trustee would be obliged to pay such additional amounts were a payment in respect of the Notes then due.
Redemption for Taxation Reasons – HBT Notes only	:	If so provided on the face of such Notes, the Notes may be redeemed at the option of the HBT Trustee-Manager in whole, but not in part, on any Interest Payment Date (as specified in the relevant Pricing Supplement) or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their redemption amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as determined in accordance with Condition 6(h) of the HBT Notes) (together with interest accrued to (but excluding) the date fixed for redemption, if (i) the HBT Trustee-Manager has or will become obliged to pay additional amounts as provided or referred to in Condition 8 of the HBT Notes, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the relevant Pricing Supplement, and (ii) such obligations cannot be avoided by the HBT Trustee-Manager taking reasonable measures available to it (which shall not require the HBT Trustee-Manager to incur unreasonable costs), provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the HBT Trustee-Manager would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Mandatory Redemption upon Termination of H-REIT – H-REIT Notes only	:	In the event that H-REIT is or is to be terminated in accordance with the provisions of the H-REIT Trust Deed, the H-REIT Trustee shall redeem all (and not some only) of the Notes at their redemption amount together with interest accrued to the date fixed for redemption on any date on which interest is due to be paid on such Notes or, if earlier, the date of termination of H-REIT.
Mandatory Redemption upon Termination of HBT– HBT Notes only	:	In the event that HBT is or is to be terminated in accordance with the provisions of the HBT Trust Deed, the HBT Trustee-Manager shall redeem all (and not some only) of the Notes at their redemption amount together with interest accrued to the date fixed for redemption on any date on which interest is due to be paid on such Notes or, if earlier, the date of termination of HBT.
Redemption upon De-listing of H-REIT – H-REIT Notes only	:	If on any date, (1) the units of H-REIT (as part of the stapled securities of CDLHT or otherwise) cease to be listed and/or traded on the SGX-ST or (2) trading in the units of H-REIT (as part of the stapled securities of CDLHT or otherwise) on the SGX-ST is suspended for a continuous period exceeding 10 consecutive market days, the H-REIT Trustee shall, at the option of the holder of any Note, redeem such Note at its redemption amount, together with interest accrued to (but excluding) the date fixed for redemption, on the date (or, if such date is not a business day, on the immediately preceding business day) falling 30 days after the Effective Date (as defined in Condition 6(j) of the H-REIT Notes).
Redemption upon De-listing of HBT– HBT Notes only	:	If on any date, (1) the units of HBT (as part of the stapled securities of CDLHT or otherwise) cease to be listed and/or traded on the SGX-ST or (2) trading in the units of HBT (as part of the stapled securities of CDLHT or otherwise) on the SGX-ST is suspended for a continuous period exceeding 10 consecutive market days, the HBT Trustee-Manager shall, at the option of the holder of any Note, redeem such Note at its redemption amount, together with interest accrued to (but excluding) the date fixed for redemption, on the date (or, if such date is not a business day, on the immediately preceding business day) falling 30 days after the Effective Date (as defined in Condition 6(j) of the HBT Notes).
Redemption in the case of Minimum Outstanding Amount	:	If so provided on the face of such Notes, the Notes may be redeemed at the option of the Relevant Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their redemption amount together with interest accrued to (but excluding) the date fixed for redemption if, immediately before giving such notice, the aggregate principal amount of the Notes outstanding is less than 20 per cent. of the aggregate principal amount originally issued.

Negative Pledge – H-REIT Notes only	:	The H-REIT Trustee has covenanted with the Trustee in the Trust Deed that, so long as any of the Notes or Coupons remain outstanding, it shall not, and it shall procure that none of the H-REIT Principal Subsidiaries (as defined in the Trust Deed) shall, create or permit to subsist any Security Interest (as defined below), upon the whole or any part of their respective present or future business, undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness (as defined below), other than a Permitted Security Interest (as defined below), unless the H-REIT Trustee, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that: (1) all amounts payable by it under the Notes and the Coupons are secured by the Security Interest equally and rateably with any such Relevant Indebtedness; or (2) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is approved by an Extraordinary Resolution of the Noteholders. For the purpose of this paragraph: "**Permitted Security Interest**" means any security in respect of any debt securities issued by a specified purposes company (tokutei mokuteki kaisha bonds) pursuant to the Asset Liquidation Law (shisan no ryudouka ni kansuru houritsu) of Japan; "**Relevant Indebtedness**" means (a) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being or are capable of being, listed, quoted, ordinarily dealt in or traded on any stock exchange or over-the-counter or other securities market and having an original tenure of more than one year; and (b) any guarantee or indemnity of any such indebtedness; and "**Security Interest**" means any mortgage, charge, lien, pledge or other form of encumbrance or security interest.

Negative Pledge – HBT Notes only : The HBT Trustee-Manager has covenanted with the Trustee in the Trust Deed that, so long as any of the Notes or Coupons remain outstanding, it shall not, and it shall procure that none of the HBT Principal Subsidiaries (as defined in the Trust Deed) shall, create or permit to subsist any Security Interest (as defined below), upon the whole or any part of their respective present or future business, undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness (as defined below), other than a Permitted Security Interest (as defined below), unless the HBT Trustee-Manager, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

(1) all amounts payable by it under the Notes and the Coupons are secured by the Security Interest equally and rateably with any such Relevant Indebtedness; or

(2) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is approved by an Extraordinary Resolution of the Noteholders.

For the purpose of this paragraph:

"**Permitted Security Interest**" means any security in respect of any debt securities issued by a specified purposes company (tokutei mokuteki kaisha bonds) pursuant to the Asset Liquidation Law (shisan no ryudouka ni kansuru houritsu) of Japan;

"**Relevant Indebtedness**" means (a) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being or are capable of being, listed, quoted, ordinarily dealt in or traded on any stock exchange or over-the-counter or other securities market and having an original tenure of more than one year; and (b) any guarantee or indemnity of any such indebtedness; and

"**Security Interest**" means any mortgage, charge, lien, pledge or other form of encumbrance or security interest.

Financial Covenants – HBT Notes only	:	The HBT Trustee-Manager has covenanted with the Trustee in the Trust Deed that, so long as any of the Notes or Coupons issued by it remain outstanding, it shall ensure that the ratio of Consolidated Total Borrowings to Consolidated Total Assets shall not at any time exceed 0.7 times. For the purposes of this paragraph: "**Consolidated Total Assets**" means, at any particular time, the consolidated amount of the book values of all assets of the HBT Group, determined as assets in accordance with generally accepted accounting principles in Singapore; and "**Consolidated Total Borrowings**" means, in relation to the HBT Group, an amount (expressed in Singapore Dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of: (i) bank overdrafts and all other indebtedness in respect of any borrowings maturing within 12 months; (ii) the principal amount of the Notes or any bonds or debentures of any member of the HBT Group whether issued for cash or a consideration other than cash; (iii) the liabilities of the Issuer under the Trust Deed or the Notes; (iv) all other indebtedness whatsoever of the HBT Group for moneys borrowed or raised; and (v) any redeemable preference shares or units issued by any member of the HBT Group and which are regarded by generally accepted accounting principles in Singapore as debt or other liabilities of the HBT Group (other than those shares or units (including preference shares or units issued by a member of the HBT Group to another member of the HBT Group) which are regarded as equity as reflected in the HBT Group's latest audited consolidated balance sheet prepared in accordance with generally accepted accounting principles in Singapore), provided that where such aggregate amount falls to be calculated, no amount shall be taken into account more than once in the same calculation. For the avoidance of doubt, for the purposes of this definition, any perpetual securities issued by any member of the HBT Group which are regarded by generally accepted accounting principles in Singapore as "equity" shall be treated as such (and not as debt).

Further Covenants by the H-REIT Trustee – H-REIT Notes only	:	In the Trust Deed, the H-REIT Trustee has covenanted with the Trustee that so long as any of the H-REIT Notes remains outstanding, *inter alia*, it will comply with the Property Funds Appendix within any applicable grace period or extension of time granted in writing by the MAS or other relevant authority (save where the H-REIT Trustee has been granted a waiver or exemption by the MAS or other relevant authority from compliance with any provision thereof).
Events of Default	:	See Condition 10 of the Notes.

PERPETUAL SECURITIES

No Fixed Redemption Date	:	The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Relevant Issuer shall only have the right (but not the obligation) to redeem or purchase them in accordance with the provisions of the Conditions of the Perpetual Securities.
Distribution Basis	:	Subject to Condition 4(IV) of the HBT Perpetual Securities or, as the case may be, Condition 4(IV) of the H-REIT Perpetual Securities, Perpetual Securities may confer a right to receive distribution at fixed or floating rates.
Fixed Rate Perpetual Securities	:	Subject to Condition 4(IV) of the HBT Perpetual Securities or, as the case may be, Condition 4(IV) of the H-REIT Perpetual Securities, Fixed Rate Perpetual Securities will confer a right to receive distribution at a fixed rate which will be payable in arrear on specified dates. If so provided on the face of the Fixed Rate Perpetual Securities, the distribution rate may be reset on such dates and bases as may be set out in the applicable Pricing Supplement.
Floating Rate Perpetual Securities	:	Subject to Condition 4(IV) of the HBT Perpetual Securities or, as the case may be, Condition 4(IV) of the H-REIT Perpetual Securities, Floating Rate Perpetual Securities which are denominated in Singapore dollars will confer a right to receive distribution at a rate to be determined separately for each Series by reference to SORA (or in any other case such other benchmark as may be agreed between the Relevant Issuer and the relevant Dealer(s)), as adjusted for any applicable margin. Distribution periods in relation to the Floating Rate Perpetual Securities will be agreed between the Relevant Issuer and the relevant Dealer(s) prior to their issue. Floating Rate Perpetual Securities which are denominated in other currencies will confer a right to receive distribution at a rate to be determined separately for each Series by reference to such other benchmark as may be agreed between the Relevant Issuer and the relevant Dealer(s).

Distribution Discretion – H-REIT Perpetual Securities only	:	If Optional Payment is set out on the face of the Perpetual Security and the relevant Pricing Supplement, the H-REIT Trustee may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date (as specified in the relevant Pricing Supplement) by giving notice to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14 of the H-REIT Perpetual Securities) not earlier than the 30th calendar day nor later than the day as specified in the relevant Pricing Supplement (taking into account the requirements of the clearing systems, the Trustee and the Agents) prior to a scheduled Distribution Payment Date. If Dividend Pusher is set out on the face of the Perpetual Security and the relevant Pricing Supplement, the H-REIT Trustee may not elect to defer any distribution if during the Reference Period (as specified in the applicable Pricing Supplement) ending on the day before that scheduled Distribution Payment Date, either or both of the following (each such event a "**Compulsory Distribution Payment Event**") have occurred: (1) a dividend, distribution or other payment has been declared or paid on or in respect of any of the H-REIT Trustee's Junior Obligations (as defined in Condition 4(IV)(a) of the H-REIT Perpetual Securities) or (except on a *pro rata* basis) any of the H-REIT Trustee's Specified Parity Obligations (as defined in Condition 4(IV)(a) of the H-REIT Perpetual Securities); or (2) any of the H-REIT Trustee's Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or (except on a *pro rata* basis) any of the H-REIT Trustee's Specified Parity Obligations has been redeemed, reduced cancelled, bought back or acquired for any consideration, in each case, other than (a) in connection with any employee benefit plan or other similar arrangement with or for the benefit of the employees, officers, directors or consultants of the H-REIT Group, (b) as a result of the exchange or conversion of Specified Parity Obligations of the H-REIT Trustee for the Junior Obligations of the H-REIT Trustee or (c) as otherwise specified in the applicable Pricing Supplement.

Distribution Discretion – HBT Perpetual Securities only	:	If Optional Payment is set out on the face of the Perpetual Security and the relevant Pricing Supplement, the HBT Trustee-Manager may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date (as specified in the relevant Pricing Supplement) by giving notice to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14 of the HBT Perpetual Securities) not earlier than the 30th calendar day nor later than the day as specified in the relevant Pricing Supplement (taking into account the requirements of the clearing systems, the Trustee and the Agents) prior to a scheduled Distribution Payment Date. If Dividend Pusher is set out on the face of the Perpetual Security and the relevant Pricing Supplement, the HBT Trustee-Manager may not elect to defer any distribution if during the Reference Period (as specified in the applicable Pricing Supplement) ending on the day before that scheduled Distribution Payment Date, either or both of the following (each such event a "**Compulsory Distribution Payment Event**") have occurred: (1) a dividend, distribution or other payment has been declared or paid on or in respect of any of the HBT Trustee-Manager's Junior Obligations (as defined in Condition 4(IV)(a) of the HBT Perpetual Securities) or (except on a *pro rata* basis) any of the HBT Trustee-Manager's Specified Parity Obligations (as defined in Condition 4(IV)(a) of the HBT Perpetual Securities); or (2) any of the HBT Trustee-Manager's Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or (except on a *pro rata* basis) any of the HBT Trustee-Manager's Specified Parity Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration, in each case, other than (a) in connection with any employee benefit plan or other similar arrangement with or for the benefit of the employees, officers, directors or consultants of the HBT Group, (b) as a result of the exchange or conversion of Specified Parity Obligations of the HBT Trustee-Manager for the Junior Obligations of the HBT Trustee-Manager or (c) as otherwise specified in the applicable Pricing Supplement.

Non-Cumulative Deferral and Cumulative Deferral	:	If Non-Cumulative Deferral is set out on the face of the Perpetual Security and the relevant Pricing Supplement, any distribution deferred pursuant to Condition 4(IV)(c) of the Perpetual Securities is non-cumulative and will not accrue distribution or interest. The Relevant Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The Relevant Issuer may, at its sole discretion (and is not obliged to), and at any time, elect to pay an amount up to the amount of distribution which is unpaid ("**Optional Distribution**") (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e) of the Perpetual Securities. There is no limit on the number of times or the extent of the amount with respect to which the Relevant Issuer can elect not to pay distributions pursuant to Condition 4(IV) of the Perpetual Securities. Any partial payment of outstanding Optional Distribution by the Relevant Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a *pro rata* basis. If Cumulative Deferral is set out on the face of the Perpetual Security and the relevant Pricing Supplement, any distribution deferred pursuant to Condition 4(IV) of the Perpetual Securities shall constitute "**Arrears of Distribution**". The Relevant Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 4(IV)(a) of the Perpetual Securities) further defer any Arrears of Distribution by complying with the notice requirement in Condition 4(IV)(e) of the Perpetual Securities applicable to any deferral of an accrued distribution. The Relevant Issuer is not subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to Condition 4(IV) of the Perpetual Securities except that Condition 4(IV)(c) of the Perpetual Securities shall be complied with until all outstanding Arrears of Distribution have been paid in full. If Additional Distribution is set out on the face of the Perpetual Security and the relevant Pricing Supplement, each amount of Arrears of Distribution shall accrue distribution as if it constituted the principal of the Perpetual Securities at the Distribution Rate (as determined in accordance with Condition 4(I)(b) of the Perpetual Securities) or Rate of Distribution (as determined in accordance with Condition 4(II)(b) of the Perpetual Securities) (as the case may be) and the amount of such distribution (the "**Additional Distribution Amount**") with respect to Arrears of Distribution shall be due and payable pursuant to Condition 4 of the Perpetual Securities and shall be calculated by applying the applicable Distribution Rate or Rate of Distribution (as the case may be) to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the provisions of Condition 4 of the Perpetual Securities. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

Restrictions in the case of Non-Payment – H-REIT Perpetual Securities only	:	If Dividend Stopper is set out on the face of the Perpetual Security and the relevant Pricing Supplement and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of Condition 4(IV) of the H-REIT Perpetual Securities, the H-REIT Trustee shall not, and shall procure that the subsidiaries of H-REIT shall not: (1) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Junior Obligations of the H-REIT Trustee or (except on a *pro rata* basis) any of the Specified Parity Obligations of the H-REIT Trustee; or (2) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect, of any of the Junior Obligations of the H-REIT Trustee or (except on a *pro rata* basis) any of the Parity Obligations (as defined in the Condition 3(b)(i) of the H-REIT Perpetual Securities) of the H-REIT Trustee, in each case other than (a) in connection with any employee benefit plan or similar arrangement with or for the benefit of the employees, officers, directors or consultants of the H-REIT Group or (b) as a result of the exchange or conversion of Specified Parity Obligations of the H-REIT Trustee for Junior Obligations of the H-REIT Trustee, or (c) as otherwise specified in the applicable Pricing Supplement, unless and until (A) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the H-REIT Trustee has satisfied in full all outstanding Arrears of Distribution, (B) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (C) the H-REIT Trustee is permitted to do so (or is permitted to procure its subsidiaries to do so) by an Extraordinary Resolution of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement.

Restrictions in the case of Non-Payment – HBT Perpetual Securities only	:	If Dividend Stopper is set out on the face of the Perpetual Security and the relevant Pricing Supplement and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of Condition 4(IV) of the HBT Perpetual Securities, the HBT Trustee-Manager shall not and shall procure that none of the subsidiaries of HBT shall: (1) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Junior Obligations of HBT or (except on a *pro rata* basis) any of the Specified Parity Obligations of HBT; or (2) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of any of the Junior Obligations of the HBT Trustee-Manager or (except on a *pro rata* basis) any of the Parity Obligations (as defined in the Condition 3(b)(i) of the HBT Perpetual Securities) of the HBT Trustee-Manager, in each case other than (a) in connection with any employee benefit plan or similar arrangement with or for the benefit of the employees, officers, directors or consultants of the HBT Group or (b) as a result of the exchange or conversion of Specified Parity Obligations of the HBT Trustee-Manager for Junior Obligations of the HBT Trustee-Manager, or (c) as otherwise specified in the applicable Pricing Supplement, unless and until (A) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the HBT Trustee-Manager has satisfied in full all outstanding Arrears of Distribution, (B) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (C) the HBT Trustee-Manager is permitted to do so (or is permitted to procure its subsidiaries to do so) by an Extraordinary Resolution of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement.
Status of the Senior Perpetual Securities	:	The Senior Perpetual Securities and Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Relevant Issuer.

Status of the Subordinated Perpetual Securities	:	The Subordinated Perpetual Securities and Coupons relating to them constitute direct, unconditional, subordinated and unsecured obligations of the Relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of the Relevant Issuer.
Subordination of Perpetual Securities – H-REIT Perpetual Securities only	:	Subject to the insolvency laws of Singapore and other applicable laws, in the event of the final and effective Winding-Up (as defined in Condition 3(b) of the H-REIT Perpetual Securities) of H-REIT, there shall be payable by the H-REIT Trustee in respect of each Subordinated Perpetual Security (in lieu of any other payment by the H-REIT Trustee), such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the Winding-Up of H-REIT, and thereafter, such Perpetual Securityholder were the holder of one of a class of preferred units in the capital of H-REIT (and if more than one class of preferred units is outstanding, the most junior ranking class of such preferred units) (the "**H-REIT Notional Preferred Units**") having an equal right to return of assets in the Winding-Up of H-REIT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the Winding-Up of H-REIT, and so rank ahead of, the holders of Junior Obligations of the H-REIT Trustee, but junior to the claims of all other present and future creditors of the H-REIT Trustee (other than Parity Obligations of the H-REIT Trustee), on the assumption that the amount that such Perpetual Securityholder was entitled to receive in respect of each H-REIT Notional Preferred Unit on a return of assets in such Winding-Up of H-REIT were an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Subordinated Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions in respect of which the H-REIT Trustee has given notice to the holders of the Subordinated Perpetual Securities in accordance with the Conditions of the H-REIT Perpetual Securities.

Subordination of Perpetual Securities – HBT Perpetual Securities only	:	Subject to the insolvency laws of Singapore and other applicable laws, in the event of the final and effective Winding-Up (as defined in Condition 3(b) of the HBT Perpetual Securities) of HBT, there shall be payable by the HBT Trustee-Manager in respect of each Subordinated Perpetual Security (in lieu of any other payment by the HBT Trustee-Manager), such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the Winding-Up of HBT, and thereafter, such Perpetual Securityholder were the holder of one of a class of preferred units in the capital of HBT (and if more than one class of preferred units is outstanding, the most junior ranking class of such preferred units) (the "**HBT Notional Preferred Units**") having an equal right to return of assets in the Winding-Up of HBT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the Winding-Up of HBT, and so rank ahead of, the holders of Junior Obligations of the HBT Trustee-Manager, but junior to the claims of all other present and future creditors of the HBT Trustee-Manager (other than Parity Obligations of the HBT Trustee-Manager), on the assumption that the amount that such Perpetual Securityholder was entitled to receive in respect of each HBT Notional Preferred Unit on a return of assets in such Winding-Up were an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Subordinated Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions in respect of which the HBT Trustee-Manager has given notice to the Perpetual Securityholders in accordance with the Conditions of the HBT Perpetual Securities.
No set-off in relation to Perpetual Securities – H-REIT Perpetual Securities only	:	Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding, counterclaim, compensation or retention in respect of any amount owed to it by the H-REIT Trustee in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding, counterclaim, compensation or retention against the H-REIT Trustee. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the H-REIT Trustee in respect of, or arising under or in connection with the Subordinated Perpetual Securities or any Coupons relating to them is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the H-REIT Trustee (or, in the event of the Winding-Up of H-REIT, the liquidator or, as appropriate, administrator of H-REIT) and, until such time as payment is made, shall hold such amount in trust for the H-REIT Trustee (or the liquidator or, as appropriate, administrator of H-REIT) and accordingly any such discharge shall be deemed not to have taken place.

No set-off in relation to Perpetual Securities – HBT Perpetual Securities only	:	Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding, counterclaim, compensation or retention in respect of any amount owed to it by the HBT Trustee-Manager in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding, counterclaim, compensation or retention against the HBT Trustee-Manager. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the HBT Trustee-Manager in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the HBT Trustee-Manager (or, in the event of the Winding-Up of HBT, the liquidator or, as appropriate, administrator of HBT) and, until such time as payment is made, shall hold such amount in trust for the HBT Trustee-Manager (or the liquidator or, as appropriate, administrator of HBT) and accordingly any such discharge shall be deemed not to have taken place.
Redemption at the Option of the Relevant Issuer	:	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Relevant Issuer may, at its option, redeem the Perpetual Securities in whole, but not in part, on the First Call Date (as specified in the relevant Pricing Supplement) or on any Distribution Payment Date thereafter at their principal amount, together with the distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued from (and including) the immediately preceding Distribution Payment Date to (but excluding) the date fixed for redemption, on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable). If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Relevant Issuer may, on giving irrevocable notice to the Perpetual Securityholders falling within the Relevant Issuer's Redemption Option Period shown on the face thereof, redeem all or, if so provided, some of the Perpetual Securities at their redemption amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their redemption amount, together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption.

Redemption for Taxation Reasons : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their redemption amount (together with distribution (including any Optional Distribution, Arrears of Distribution and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if:

(1) the Relevant Issuer receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that (i) the Perpetual Securities will not be regarded as "debt securities" for the purposes of Section 43H(4) of the ITA and Regulation 2 of the Income Tax (Qualifying Debt Securities) Regulations; or (ii) the distributions (including any Optional Distributions, Arrears of Distribution and Additional Distribution Amount) will not be regarded as interest payable by the Relevant Issuer for the purposes of the withholding tax exemption on interest for "qualifying debt securities" under the ITA; or

(2) the Relevant Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of (i) any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax; or (ii) any change in, or amendment to, the application or official interpretation of any such laws, regulations, rulings or other administrative pronouncements (including the enactment of any legislation and publication of any judicial decision or regulatory determination), in each case which change or amendment is enacted, promulgated, issued or becomes effective on or after the Issue Date or (iii) any generally applicable official interpretation or pronouncement that provides for a position with respect to such laws or regulations or administrative pronouncements promulgated thereunder that differs from the previous generally accepted position which is issued or announced on or after the Issue Date, and such obligation cannot be avoided by the Relevant Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Relevant Issuer would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.

Redemption for Accounting Reasons : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their redemption amount (together with distribution (including any Optional Distribution, Arrears of Distribution and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, on such Distribution Payment Date or at any time after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards (International) issued by the Singapore Accounting Standards Council, as amended from time to time (the "**SFRS(I)**") or any other accounting standards that may replace SFRS(I) for the purposes of the consolidated financial statements of (in the case of H-REIT Perpetual Securities) H-REIT or (in the case of HBT Perpetual Securities) HBT (the "**Relevant Accounting Standard**"), the Perpetual Securities will not or will no longer be recorded as "equity" of (in the case of H-REIT Perpetual Securities) H-REIT or (in the case of HBT Perpetual Securities) HBT pursuant to the Relevant Accounting Standard.

Redemption for Tax Deductibility : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their redemption amount (together with distribution (including any Optional Distribution, Arrears of Distribution and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption):

(1) if the Relevant Issuer satisfies the Trustee immediately before giving such notice that, as a result of:

(a) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective on or after the Issue Date;

(b) any amendment to, or change in, an official and binding interpretation of any such laws, rules, or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or

(c) any generally applicable official interpretation or pronouncement which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position which is issued or announced before the Issue Date,

payments by the Relevant Issuer which would otherwise have been deductible to (in the case of H-REIT Perpetual Securities) H-REIT or (in the case of HBT Perpetual Securities) HBT, are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, fully deductible by (in the case of H-REIT Perpetual Securities) H-REIT or (in the case of HBT Perpetual Securities) HBT for Singapore income tax purposes; or

(2) if the Relevant Issuer receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that the distributions (including any Optional Distributions, Arrears of Distribution, and Additional Distribution Amount) will not be regarded as sums "payable by way of interest upon any money borrowed" for the purposes of Section 14(1)(a) of the ITA.

Redemption upon a Regulatory Event – H-REIT Perpetual Securities only : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the H-REIT Trustee in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their redemption amount (together with distribution (including any Optional Distribution, Arrears of Distribution and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if as a result of any change in, or amendment to, the Property Funds Appendix, or any change in the application or official interpretation of the Property Funds Appendix, the Perpetual Securities count or will count towards the Aggregate Leverage under the Property Funds Appendix, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Perpetual Securities will count towards the Aggregate Leverage.

Redemption upon a Regulatory Event – HBT Perpetual Securities only	:	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, and only where the HBT Trustee-Manager is subject to the Property Funds Appendix or such equivalent regulation for business trusts generally, the Perpetual Securities may be redeemed at the option of the HBT Trustee-Manager in whole but not in part on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their redemption amount (together with distribution (including any Optional Distribution, Arrears of Distribution and Addiitonal Distribution Amount) accrued to (but excluding) the date fixed for redemption), if as a result of any change in, or amendment to, the Property Funds Appendix or such equivalent regulation for business trusts generally, or any change in the application or official interpretation of the Property Funds Appendix or such equivalent regulation for business trusts generally, the Perpetual Securities counts or will count towards percentage limit as property funds may from time to time be permitted under the Property Funds Appendix or such equivalent regulation for business trusts generally, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Perpetual Securities will count towards the percentage limit.
Redemption upon a Ratings Event	:	If so provided on the face of the relevant Perpetual Security, the Relevant Issuer may, at its option, redeem the Perpetual Securities in whole, but not in part, on any Distribution Payment Date or, if so specified in the relevant Perpetual Security, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their redemption amount (together with distribution (including any Optional Distribution, Arrears of Distribution and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if as of the date fixed for redemption, an amendment, clarification or change has occurred, or will in the Distribution Payment Period immediately following the date fixed for redemption occur, in the equity credit criteria, guidelines or methodology of any Rating Agency (as defined below) requested from time to time by the Relevant Issuer to grant an equity credit rating to the Issuer or the Perpetual Securities and, in each case, any of their respective successors to the rating business thereof, which amendment, clarification or change results or will result in a lower equity credit for the Perpetual Securities than the equity credit assigned on the Issue Date or, if equity credit is not assigned on the Issue Date, at the date when equity credit is assigned for the first time. For the purposes of this paragraph, "**Rating Agency**" means (a) Fitch, Ratings Inc., (b) Moody's Investors Service, Inc., and (c) Standard & Poor's Rating Services, or any of their respective successors.

Redemption upon Cessation or Suspension of Trading of Units – H-REIT Perpetual Securities only	:	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, in the event that (1) the units of H-REIT (as part of the stapled securities of CDLHT or otherwise) cease to be listed and/or traded on the SGX-ST or (2) trading in the units of H-REIT (as part of the stapled securities of CDLHT or otherwise) on the SGX-ST is suspended for a continuous period exceeding 10 consecutive market days (each, a "**Cessation or Suspension of Trading Event**"), the Perpetual Securities may be redeemed at the option of the H-REIT Trustee in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their redemption amount (together with distribution (including Optional Distribution, Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), following the occurrence of a Cessation or Suspension of Trading Event.
Redemption upon Cessation or Suspension of Trading of Units – HBT Perpetual Securities only	:	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, in the event that (1) the units of HBT (as part of the stapled securities of CDLHT or otherwise) cease to be listed and/or traded on the SGX-ST or (2) trading in the units of HBT (as part of the stapled securities of CDLHT or otherwise) on the SGX-ST is suspended for a continuous period exceeding 10 consecutive market days (each, a "**Cessation or Suspension of Trading Event**"), the Perpetual Securities may be redeemed at the option of the HBT Trustee-Manager in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their redemption amount (together with distribution (including Optional Distribution, Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), following the occurrence of a Cessation or Suspension of Trading Event.
Redemption in the case of Minimal Outstanding Amount	:	If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their redemption amount (together with distribution (including any Optional Distribution, Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 20 per cent. of the aggregate principal amount originally issued.

Limited right to institute proceedings in relation to Perpetual Securities	:	The right to institute proceedings for Winding-up of (in the case of H-REIT Perpetual Securities) H-REIT or (in the case of HBT Perpetual Securities) HBT is limited to circumstances set out in Condition 9(b) of the Perpetual Securities. In the case of any distribution, such distribution will not be due if the Relevant Issuer has elected not to pay that distribution in accordance with Condition 4(IV) of the Perpetual Securities.
Proceedings for Winding-up – H-REIT Perpetual Securities only	:	If (1) a final and effective order is made or an effective resolution is passed for the Winding-Up of H-REIT, or (2) the H-REIT Trustee does not pay any sum payable by it under the H-REIT Perpetual Securities when due and, such default continues for a period of 15 business days after the due date, the H-REIT Trustee shall be deemed to be in default under the Trust Deed and the H-REIT Perpetual Securities and the Trustee may, subject to the provisions of Condition 9(d) of the H-REIT Perpetual Securities, institute proceedings for the Winding-Up of H-REIT and/or prove in the Winding-Up of H-REIT and/or claim in the liquidation of H-REIT for such payment.
Proceedings for Winding-up – HBT Perpetual Securities only	:	If (1) a final and effective order is made or an effective resolution is passed for the Winding-Up of HBT, or (2) the HBT Trustee-Manager does not pay any sum payable by it under the HBT Perpetual Securities when due and, such default continues for a period of 15 business days after the due date, the HBT Trustee-Manager shall be deemed to be in default under the Trust Deed and the HBT Perpetual Securities and the Trustee may, subject to the provisions of Condition 9(d) of the HBT Perpetual Securities, institute proceedings for the Winding-Up of HBT and/or prove in the Winding-Up of HBT and/or claim in the liquidation of HBT for such payment.

TERMS AND CONDITIONS OF THE H-REIT NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Notes in definitive form (if any) issued in exchange for the Global Security(ies) or the Global Certificate(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the relevant Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes. Unless otherwise stated, all capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on such Bearer Notes or on Certificates relating to such Registered Notes. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme. Details of the relevant Series will be shown on the face of the relevant Notes and in the relevant Pricing Supplement.

The Notes are constituted by a trust deed dated 5 November 2025 made between (1) DBS Trustee Limited (in its capacity as trustee of CDL Hospitality Real Estate Investment Trust ("**H-REIT**")) (the "**Issuer**") and M&C Business Trust Management Limited (in its capacity as trustee-manager of CDL Hospitality Business Trust), as issuers, and (2) The Bank of New York Mellon, Singapore Branch (the "**Trustee**", which expression shall wherever the context so admits include all persons for the time being the trustee or trustees of the Trust Deed (as defined below)), as trustee of the Noteholders (as defined below), and as amended, restated or supplemented from time to time (the "**Trust Deed**"), and (where applicable) the Notes are issued with the benefit of a deed of covenant dated 5 November 2025 executed by the Issuer, relating to Notes cleared through the CDP System (as defined in the Trust Deed) ("**CDP Notes**") issued by the Issuer (the "**Deed of Covenant**"). These terms and conditions (the "**Conditions**") are subject to the detailed provisions of the Trust Deed. The Issuer has entered into an agency agreement dated 5 November 2025 (as amended, restated or supplemented from time to time, the "**Agency Agreement**") made between (1) the Issuer and M&C Business Trust Management Limited (in its capacity as trustee-manager of CDL Hospitality Business Trust), as issuers, (2) The Bank of New York Mellon, Singapore Branch, as issuing and paying agent in respect of CDP Notes (in such capacity, the "**CDP Issuing and Paying Agent**"), transfer agent in respect of CDP Notes (in such capacity, the "**CDP Transfer Agent**"), registrar in respect of CDP Notes (in such capacity, the "**CDP Registrar**") and (where appointed as contemplated therein) calculation agent in respect of CDP Notes that may be appointed under the Agency Agreement or (as the case may be) the calculation agency agreement (the "**Calculation Agency Agreement**") made between the Issuer, the Trustee and the relevant calculation agent (the "**CDP Calculation Agent**"), (3) The Bank of New York Mellon, London Branch, as issuing and paying agent in respect of Notes that are cleared through a clearing system other than the CDP System ("**Non-CDP Notes**") (in such capacity, the "**Non-CDP Issuing and Paying Agent**" and, together with the CDP Issuing and Paying Agent, the "**Issuing and Paying Agents**" and, each an "**Issuing and Paying Agent**"), and (where appointed as contemplated therein) calculation agent in respect of Non-CDP Notes (in such capacity and, together with any other calculation agent that may be appointed in respect of Non-CDP Notes under the Agency Agreement or (as the case may be) the Calculation Agency Agreement, the "**Non-CDP Calculation Agent**" and, together with the CDP Calculation Agent, the "**Calculation Agents**", and each a "**Calculation Agent**"), (4) The Bank of New York Mellon SA/NV, Dublin Branch, as transfer agent in respect of Non-CDP Notes (in such capacity, the "**Non-CDP Transfer Agent**" and, together with the CDP Transfer Agent, the "**Transfer Agents**" and, each a "**Transfer Agent**"), and registrar in respect of Non-CDP Notes (in such capacity, the "**Non-CDP Registrar**" and, together with the CDP Registrar, the "**Registrars**", and each a "**Registrar**"), and (5) the Trustee, as trustee.

The Noteholders and the holders of the coupons (the "**Coupons**") appertaining to the interest-bearing Notes in bearer form (the "**Couponholders**"), and where applicable in the case of such Notes, talons for further Coupons (the "**Talons**"), are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant.

For the purposes of these Conditions, all references to (a) the Issuing and Paying Agent shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Issuing and Paying Agent, and in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Issuing and Paying Agent, (b) the Registrar shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Registrar and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Registrar, (c) the Transfer Agent, shall in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Transfer Agent and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Transfer Agent, and (d) the Calculation Agent shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Calculation Agent and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Calculation Agent, and (unless the context otherwise requires) all such references shall be construed accordingly.

Copies of the Trust Deed, the Agency Agreement, the Deed of Covenant and (if applicable) the Calculation Agency Agreement are available for inspection at the specified office of the Trustee for the time being and at the respective specified offices of the Issuing and Paying Agents for the time being during usual business hours, upon prior written request and satisfactory proof of holdings.

1. FORM, DENOMINATION AND TITLE

(a) Form and Denomination

(i) The Notes of the Series of which this Note forms part (in these Conditions, the "**Notes**") are issued in bearer form (the "**Bearer Notes**") or in registered form (the "**Registered Notes**"), and in each case in the Denomination Amount shown in the relevant Pricing Supplement. Subject to applicable laws, in the case of Registered Notes, such Notes are in the Denomination Amount shown in the relevant Pricing Supplement, which may include a minimum denomination and higher integral multiples of a smaller amount, in each case, as specified in the applicable Pricing Supplement.

(ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note or a note that does not bear interest (a "**Zero-Coupon Note**"), a combination of any of the foregoing or any other type of Note (depending upon the Interest and Redemption/Payment Basis shown on its face).

(iii) Bearer Notes are serially numbered and issued with Coupons (and where appropriate, a Talon) attached, save in the case of Zero-Coupon Notes in which case references to interest (other than in relation to default interest referred to in Condition 7(h)) in these Conditions are not applicable.

(iv) Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

(b) Title

(i) Subject as set out below, title to the Bearer Notes and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Notes shall pass

by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**").

(ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft, loss or forgery thereof, trust, interest therein or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

(iii) For so long as any of the Notes is represented by a Global Security (as defined below) or, as the case may be, a Global Certificate (as defined below) and such Global Security or Global Certificate is held by The Central Depository (Pte) Limited ("**CDP**"), each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by CDP as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, all other agents of the Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, premium, interest, redemption, purchase and/or any other amounts in respect of the Notes, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions, where the context requires, shall be construed accordingly). Notes which are represented by the Global Security or, as the case may be, the Global Certificate and held by CDP will be transferable only in accordance with the rules and procedures for the time being of CDP. For so long as any of the Notes is represented by a Global Security or, as the case may be, a Global Certificate and such Global Security or, as the case may be, such Global Certificate is held by CDP, the record date for the purposes of determining entitlements to any payment of principal, interest and any other amounts in respect of the Notes shall, unless otherwise specified by the Issuer, be the date falling five Business Days prior to the relevant payment date (or such other date as may be prescribed by CDP from time to time).

(iv) For so long as any of the Notes is represented by a Global Security or, as the case may be, a Global Certificate and such Global Security or Global Certificate is held by a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and/or any other clearing system (other than CDP), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or any such other clearing system (other than CDP) as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or any other clearing system (other than CDP) as to the principal amount of such Notes (as the case may be) standing to the account of any person shall be conclusive and binding for all purposes, save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the

Calculation Agent, the Registrar, the Transfer Agent, and all other agents of the Issuer and the Trustee as the holder of such principal amount of such Notes other than with respect to the payment of principal, premium, interest, redemption, purchase and/or any other amounts in respect of such Notes, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, and all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions, where the context requires, shall be construed accordingly). Notes which are represented by a Global Security or, as the case may be, the Global Certificate and held by a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other clearing system (other than CDP) will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg or such other clearing system (other than CDP).

(v) In these Conditions, "**Global Security**" means the relevant Temporary Global Security representing each Series or the relevant Permanent Global Security representing each Series, "**Global Certificate**" means the relevant Global Certificate representing each Series that is registered in the name of, or in the name of a nominee of, (1) CDP, (2) a common depositary for Euroclear and/or Clearstream, Luxembourg and/or (3) any other clearing system, "**Noteholder**" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and "**holder**" (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon, or the person in whose name a Registered Note is registered (as the case may be), "**Series**" means (a) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (1) expressed to be consolidated and forming a single series and (2) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (b) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and "**Tranche**" means Notes which are identical in all respects (including as to listing).

(vi) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. NO EXCHANGE OF NOTES AND TRANSFER OF REGISTERED NOTES

(a) No Exchange of Notes:

Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination Amount may not be exchanged for Bearer Notes of another Denomination Amount. Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes:

Subject to Conditions 2(e) and 2(f) below, one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Registered Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar and the Trustee and (in the case of any change proposed by the Registrar) with the prior written approval of the Issuer and the Trustee. A copy of the current regulations will be made available by the Registrar, at the expense of the Issuer, to any Noteholder upon request.

(c) Exercise of Options or Partial Redemption or Purchase in Respect of Registered Notes:

In the case of an exercise of an Issuer's or a Noteholder's option in respect of, or a partial redemption or purchase of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed or purchased. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against the surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates:

Each new Certificate to be issued pursuant to Condition 2(b) or 2(c) shall be available for delivery within seven (7) business days of receipt of the form of transfer or exercise notice (as the case may be) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer, exercise notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, exercise notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which banks are open for business in the place of the specified office of the Registrar or the Transfer Agent (as the case may be).

(e) Transfers Free of Charge:

Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment by the holder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the Transfer Agent may require) in respect of tax or charges.

(f) Closed Periods:

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of fifteen (15) days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6, (ii) after any such Note has been called for redemption, (iii) during the period of seven (7) days ending on (and including) any Record Date (as defined in Condition 7(b)(ii)), or (iv) after an option exercise notice has been delivered to the Registrar or Transfer Agent in accordance with Condition 6(j).

3. STATUS

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer. The Notes and Coupons shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

4. NEGATIVE PLEDGE

The Issuer has covenanted with the Trustee in the Trust Deed that, so long as any of the Notes or Coupons remain outstanding, the Issuer shall not, and the Issuer shall procure that none of the H-REIT Principal Subsidiaries shall, create or permit to subsist any Security Interest (as defined below), upon the whole or any part of their respective present or future business, undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness (as defined below), other than a Permitted Security Interest (as defined below), unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

(i) all amounts payable by it under the Notes and the Coupons are secured by the Security Interest equally and rateably with any such Relevant Indebtedness; or

(ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

For the purpose of this Condition 4:

"**Permitted Security Interest**" means any security in respect of any debt securities issued by a specified purposes company (*tokutei mokuteki kaisha bonds*) pursuant to the Asset Liquidation Law (*shisan no ryudouka ni kansuru houritsu*) of Japan;

"**Relevant Indebtedness**" means (1) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the

time being or are capable of being, listed, quoted, ordinarily dealt in or traded on any stock exchange or over-the-counter or other securities market and having an original tenure of more than one year; and (2) any guarantee or indemnity of any such indebtedness; and

"**Security Interest**" means any mortgage, charge, lien, pledge or other form of encumbrance or security interest.

5. RATE OF INTEREST

(I) Interest on Fixed Rate Notes

(a) Interest Rate and Accrual

Each Fixed Rate Note bears interest on its principal amount outstanding from (and including) the Interest Commencement Date in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of such Note in each year and on the Maturity Date shown on the face of such Note if that date does not fall on an Interest Payment Date.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date (and if the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the Maturity Date falls before the date on which the first payment of interest would otherwise be due. If the Maturity Date is not an Interest Payment Date, interest from (and including) the preceding Interest Payment Date (or from (and including) the Interest Commencement Date, as the case may be) to (but excluding) the Maturity Date will amount to the Final Broken Amount shown on the face of the Note.

Interest will cease to accrue on each Fixed Rate Note from (and including) the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount shown on the face of the Note is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(I) to (but excluding) the Relevant Date (as defined in Condition 8).

(b) Calculations

In the case of a Fixed Rate Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon.

For the purposes of these Conditions, "**Fixed Rate Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

(II) Interest on Floating Rate Notes or Variable Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note or Variable Rate Note bears interest on its principal amount outstanding from the Interest Commencement Date in respect thereof and as shown on

the face of such Note, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"), unless Payment Delay is specified in the applicable Pricing Supplement for a SORA Note, in which case interest (save for interest in respect of the final Interest Period (as defined below), which will be payable in arrear on the final Interest Payment Date) will be payable in arrear on the last business day of the Delay Period as set out in the applicable Pricing Supplement following each Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be), provided that the Agreed Yield (as defined in Condition 5(II)(c)) in respect of any Variable Rate Note for any Interest Period relating to that Variable Rate Note shall be payable on the first day of that Interest Period.

If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "**Interest Period**".

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from (and including) the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(II) to (but excluding) the Relevant Date.

(b) **Rate of Interest – Floating Rate Notes**

(i) Each Floating Rate Note bears interest at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Note, being (in the case of Notes which are denominated in Singapore dollars) SORA (in which case such Note will be a "**SORA Note**"), or in any other case such other Benchmark as is set out on the face of such Note.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Note. The "**Spread**" is the percentage rate per annum specified on the face of such Note as being applicable to the rate of interest for such Note. The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

The rate of interest payable in respect of a Floating Rate Note from time to time is referred to in these Conditions as the "**Rate of Interest**".

(ii) The Rate of Interest payable from time to time in respect of each Floating Rate Note will be determined by the Calculation Agent on the basis of the following provisions:

(1) in the case of Floating Rate Notes which are SORA Notes, the Rate of Interest for each Interest Period will, subject as provided below, be equal to the relevant SORA Benchmark (as defined below) plus or minus the Spread.

The "**SORA Benchmark**" will be determined based on Compounded Daily SORA or SORA Index Average, as follows:

(A) if Compounded Daily SORA ("**Compounded Daily SORA**") is specified in the applicable Pricing Supplement, the SORA Benchmark for each Interest Period shall be determined based on Compounded Daily SORA which shall be calculated by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the relevant Interest Determination Date in accordance with one of the formulas referenced below depending upon which Observation Method is specified in the applicable Pricing Supplement:

(aa) where "Lockout" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period;

"**d_o**", for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

"***i***", for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

"**Interest Determination Date**" means the Singapore Business Day immediately following the Rate Cut-off Date, unless otherwise specified in the applicable Pricing Supplement;

"**n_i**", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Rate Cut-Off Date**" means, with respect to a Rate of Interest and Interest Period, the date falling "***p***" Singapore Business Days prior to the Interest Payment Date in respect of the relevant Interest Period (or the date falling "***p***" Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*";

"**$SORA_i$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Interest Period:

I. if such Singapore Business Day is a SORA Reset Date, the reference rate equal to SORA in respect of that Singapore Business Day; and

II. if such Singapore Business Day is not a SORA Reset Date (being a Singapore Business Day falling in the Suspension Period), the reference rate equal to SORA in respect of the first Singapore Business Day falling in the Suspension Period (the "**Suspension Period $SORA_i$**") (such first day of the

Suspension Period coinciding with the Rate Cut-Off Date). For the avoidance of doubt, the Suspension Period $SORA_i$ shall apply to each day falling in the relevant Suspension Period;

"**SORA Reset Date**" means, in relation to any Interest Period, each Singapore Business Day during such Interest Period, other than any Singapore Business Day falling in the Suspension Period corresponding with such Interest Period; and

"**Suspension Period**" means, in relation to any Interest Period, the period from (and including) the date falling "*p*" Singapore Business Days prior to the Interest Payment Date in respect of the relevant Interest Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable) or such other date specified in the applicable Pricing Supplement (such Singapore Business Day coinciding with the Rate Cut-Off Date) to (but excluding) the Interest Payment Date of such Interest Period (or such earlier date, if any, on which the SORA Notes become due and payable).

(bb) where "Lookback" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_{i-x\ SBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period;

"$\mathbf{d_o}$", for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

"***i***", for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the applicable Pricing Supplement;

"$\mathbf{n}_i$", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"**Observation Period**" means, for the relevant Interest Period, the period from, and including, the date falling "*p*" Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling "*p*" Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable);

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"$\mathbf{SORA}_{i\ -\ x\ SBD}$" means, in respect of any Singapore Business Day "*i*" falling in the relevant Interest Period, the reference rate equal to SORA in respect of the Singapore Business Day falling "***p***" Singapore Business Days prior to the relevant Singapore Business Day "*i*".

(cc) where "Backward Shifted Observation Period" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable

Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Observation Period;

"**d_o**", for any Interest Period, is the number of Singapore Business Days in the relevant Observation Period;

"***i***", for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the applicable Pricing Supplement;

"**n_i**", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"**Observation Period**" means, for the relevant Interest Period, the period from, and including, the date falling "*p*" Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling "*p*" Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable);

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark,

on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"**$SORA_i$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

(dd) where "Payment Delay" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period;

"**d_o**", for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

"***i***", for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Interest Period provided that the Interest Determination Date with respect to the final Interest Period will be the date falling one Singapore Business Day after the Rate Cut-Off Date unless otherwise specified in the applicable Pricing Supplement;

"**n_i**", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Rate Cut-Off Date**" means the date that is "*p*" Singapore Business Days prior to the Maturity Date or the relevant redemption date, as applicable (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"**SORA$_i$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Interest Period, the reference rate equal to SORA in respect of that Singapore Business Day.

For the purposes of calculating Compounded Daily SORA with respect to the final Interest Period ending on the Maturity Date or the redemption date where SORA Payment Delay is specified hereon, the level of SORA for each Singapore Business Day in the period from (and including) the Rate Cut-Off Date to (but excluding) the Maturity Date or the relevant redemption date, as applicable, shall be the level of SORA in respect of such Rate Cut-Off Date.

For the avoidance of doubt, the formula for the calculation of Compounded Daily SORA only compounds SORA in respect of any Singapore Business Day. SORA applied to a day that is not a Singapore Business Day will be taken by applying SORA for the previous Singapore Business Day but without compounding.

(B) For each Floating Rate Note where the reference rate is specified as being SORA Index Average ("**SORA Index Average**"), the SORA Benchmark for each Interest Period shall be determined based on the SORA Index Average which shall be calculated by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the relevant Interest Determination Date as follows:

$$\left(\frac{SORA\ Index_{End}}{SORA\ Index_{Start}} - 1\right) \times \left(\frac{365}{d_c}\right)$$

and the resulting percentage being rounded if necessary to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards, where:

"**d_c**" means the number of calendar days from (and including) the SORA $Index_{Start}$ to (but excluding) the SORA $Index_{End}$;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Period, the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the relevant Interest Payment Date or the relevant redemption date as applicable (or the date falling five Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable), unless otherwise specified in the applicable Pricing Supplement;

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA Index**" means, in relation to any Singapore Business Day, the SORA Index as published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) at the SORA Index Determination Time (as defined below), *provided that* if the SORA Index does not so appear at the SORA Index Determination Time, then:

(aa) if a Benchmark Event has not occurred, the SORA Index Average shall be calculated on any Interest Determination Date with respect to an Interest Period, in accordance with the Compounded Daily SORA formula described above in Condition 5(II)(b)(ii)(1)(A)(cc), and the Observation Period shall be calculated with reference to the number of Singapore Business Days preceding the first date of the relevant Interest Period that is used in the definition of SORA $Index_{Start}$ as specified in the applicable Pricing Supplement; or

(bb) if a Benchmark Event has occurred, the provisions set forth in Condition 5(II)(b)(ii)(1)(F) shall apply;

"**SORA $Index_{End}$**" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the relevant Interest Payment Date or the relevant redemption date as applicable (or the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the SORA Notes become due and payable);

"**SORA Index$_{Start}$**" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the first date of the relevant Interest Period; and

"**SORA Index Determination Time**" means, in relation to any Singapore Business Day, approximately 3:00 p.m. (Singapore time) on such Singapore Business Day.

(C) If, subject to Condition 5(II)(b)(ii)(1)(F), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such day "*i*", SORA in respect of such day "*i*" has not been published and a Benchmark Event has not occurred, then SORA for that day "*i*" will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.

(D) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 5(II)(b)(ii)(1)(F), the Rate of Interest shall be:

(aa) that determined as at the last preceding Interest Determination Date or, as the case may be, Rate Cut-off Date (though substituting, where a different Spread (if any) or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Spread or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Period in place of the Spread or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or

(bb) if there is no such preceding Interest Determination Date or, as the case may be, Rate Cut-off Date, the initial Rate of Interest which would have been applicable to such Series of SORA Notes for the first Interest Period had the SORA Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Spread or Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period (if any)).

(E) If the relevant Series of SORA Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such SORA Notes became due and payable (with corresponding adjustments being deemed to be made to the applicable SORA Benchmark formula) and the Rate of Interest on such SORA Notes shall, for so long as any such SORA Note remains outstanding, be that determined on such date.

(F) **Benchmark Discontinuation and Replacement – SORA Notes**

(aa) **Independent Adviser**

Notwithstanding the provisions above in this Condition 5(II)(b)(ii)(1), if a Benchmark Event occurs in relation to an Original Reference Rate (as defined in Condition 5(II)(b)(ii)(1)(F)(gg)) prior to the relevant Interest Determination Date when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use commercially reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine the Benchmark Replacement (in accordance with Condition 5(II)(b)(ii)(1)(F)(bb)) and an Adjustment Spread, if any (in accordance with Condition 5(II)(b)(ii)(1)(F)(cc)) and any Benchmark Amendments (in accordance with Condition 5(II)(b)(ii)(1)(F)(dd)) by no later than five business days prior to the relevant Interest Determination Date (the "**IA Determination Cut-off Date**").

An Independent Adviser appointed pursuant to this Condition 5(II)(b)(ii)(1)(F)(aa) as an expert shall act in good faith and in a commercially reasonable manner and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 5(II)(b)(ii)(1)(F).

If the Issuer is unable to appoint an Independent Adviser after using commercially reasonable endeavours, or the Independent Adviser appointed by it fails to determine the Benchmark Replacement prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine the Benchmark Replacement (in accordance with Condition 5(II)(b)(ii)(1)(F)(bb) and an Adjustment Spread, if any (in accordance with Condition 5(II)(b)(ii)(1)(F)(cc)) and any Benchmark Amendments (in accordance with Condition 5(II)(b)(ii)(1)(F)(dd)). If the Issuer is unable to or does not determine the Benchmark Replacement by five business days prior to the relevant Interest Determination Date, the Rate of Interest applicable to the relevant current Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest which would have been applicable to the Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date. Where a different Spread or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Spread or Maximum Rate of Interest or Minimum Rate

of Interest relating to the relevant Interest Period shall be substituted in place of the Spread or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant current Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 5(II)(b)(ii)(1)(F)(aa)).

(bb) **Benchmark Replacement**

The Benchmark Replacement determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) shall (subject to adjustments as provided in Condition 5(II)(b)(ii)(1)(F)(cc)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(II)(b)(ii)(1)(F)).

(cc) **Adjustment Spread**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines:

(i) that an Adjustment Spread is required to be applied to the Benchmark Replacement; and

(ii) the quantum of, or a formula or methodology for, determining such Adjustment Spread,

then such Adjustment Spread shall be applied to the Benchmark Replacement.

(dd) **Benchmark Amendments**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines:

(i) that Benchmark Amendments are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread; and

(ii) the terms of the Benchmark Amendments,

then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(II)(b)(ii)(1)(F)(ee), without any requirement for the consent or approval of Noteholders vary these Conditions, the Agency Agreement and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent of a certificate signed by the authorised signatory(ies) of the Issuer pursuant to Condition 5(II)(b)(ii)(1)(F)(ee), the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed or agreement supplemental to or amending the Trust Deed, the Agency Agreement, and these Conditions) and the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall not be liable to any party for any consequences thereof, provided that the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall not be obliged so to concur if in its opinion doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee, the Issuing and Paying Agent or the relevant Calculation Agent (as the case may be) in these Conditions, the Trust Deed or the Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee, the relevant Calculation Agent, the Transfer Agents, the Registrar and the Issuing and Paying Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement, and these Conditions as may be required in order to give effect to this Condition 5(II)(b)(ii)(1)(F). Noteholders' consent shall not be required in connection with effecting the Benchmark Replacement or such other changes, including for the execution of any documents or other steps by the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Registrar or the Transfer Agents (if required). Further, none of the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Registrar or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any Benchmark Amendment or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 5(II)(b)(ii)(1)(F)(dd), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(ee) **Notices, etc.**

Any Benchmark Replacement, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5(II)(b)(ii)(1)(F) will be notified promptly by the Issuer in writing to the Trustee, the relevant Calculation Agent, the Issuing

and Paying Agents and, in accordance with Condition 16, the Noteholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date for such Benchmark Replacement, any related Adjustment Spread and of the Benchmark Amendments, if any (such effective date not being less than five business days after the date of notice or such other period as may be agreed between the Issuer, the Trustee, the relevant Calculation Agent and the Issuing and Paying Agent). For the avoidance of doubt, neither the Trustee, the relevant Calculation Agent nor the Issuing and Paying Agents shall have any responsibility for making such determination.

No later than notifying the Trustee, the Noteholders or the Couponholders of the same, the Issuer shall deliver to the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent a certificate signed by the authorised signatory(ies) of the Issuer:

(i) confirming (1) that a Benchmark Event has occurred, (2) the Benchmark Replacement, (3) where applicable, any Adjustment Spread and/or (4) the specific terms of any Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(II)(b)(ii)(1)(F); and

(ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread.

The Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. Further, none of the Trustee, the Issuing and Paying Agent, the relevant Calculation Agent, the Registrar or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to the Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard. The Benchmark Replacement, the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement, the Adjustment Spread (if any) or the Benchmark Amendments (if any) and without prejudice to the Trustee's, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent's and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Noteholders and the Couponholders.

(ff) **Survival of Original Reference Rate**

Without prejudice to the obligations of the Issuer under Conditions 5(II)(b)(ii)(1)(F)(aa), 5(II)(b)(ii)(1)(F)(bb), 5(II)(b)(ii)(1)(F)(cc) and 5(II)(b)(ii)(1)(F)(dd), the Original Reference Rate and the fallback provisions provided for in Condition 5, as applicable, will continue to apply unless and until the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent have been notified of the Benchmark Replacement, and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 5(II)(b)(ii)(1)(F)(ee).

(gg) **Definitions**

For the purpose of this Condition 5(II)(b)(ii)(1)(F):

"**Adjustment Spread**" means either:

(i) a spread (which may be positive, negative or zero); or

(ii) the formula or methodology for calculating a spread, in either case, which the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines is required to be applied to the Benchmark Replacement to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Benchmark Replacement and is the spread, formula or methodology which:

(1) is formally recommended in relation to the replacement of the Original Reference Rate with the applicable Benchmark Replacement by any Relevant Nominating Body (as defined below);

(2) if the applicable Benchmark Replacement is the ISDA Fallback Rate, is the ISDA Fallback Adjustment; or

(3) is determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) having given due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Original Reference Rate with the applicable Benchmark Replacement for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Notes;

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines in accordance with Condition 5(II)(b)(ii)(1)(F)(bb)) has replaced the Original Reference Rate for the Corresponding Tenor in customary market usage in the international or if applicable, domestic debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Notes (including, but not limited to applicable government bonds);

"**Benchmark Amendments**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Interest Period", timing and frequency of determining rates and making payments of interest, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the Interest Period, any other amendments to these Conditions, the Trust Deed, and/or the Agency Agreement, and other administrative matters) that the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines that adoption of any portion of such market practice is not administratively feasible or if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines that no market practice for use of such Benchmark Replacement exists, in such other manner as the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines is reasonably necessary);

"**Benchmark Event**" means the occurrence of one or more of the following events:

(i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist;

(ii) a public statement by the administrator of the Original Reference Rate that it has ceased or will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate);

(iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued;

(iv) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months;

(v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative or will, by a specified date within the following six months, be deemed to be no longer representative; or

(vi) it has become unlawful for any Issuing and Paying Agent, the relevant Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur:

(1) in the case of paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be;

(2) in the case of paragraph (iv) above, on the date of the prohibition or restriction of use of the Original Reference Rate; and

(3) in the case of paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed to no longer be) representative and which is specified in the relevant public statement,

and, in each case, not on the date of the relevant public statement;

"**Benchmark Replacement**" means the Interpolated Benchmark, provided that if the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) cannot determine the Interpolated Benchmark by the relevant Interest Determination Date, then "**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be):

(i) Identified SORA;

(ii) the Successor Rate;

(iii) the ISDA Fallback Rate; and

(iv) the Alternative Rate;

"**Corresponding Tenor**" with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Original Reference Rate;

"**Identified SORA**" means the forward-looking term rate for the applicable Corresponding Tenor based on SORA that has been (i) selected or recommended by the Relevant Nominating Body, or (ii) determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) having given due consideration to any industry-accepted market practice for the relevant Singapore dollar denominated notes;

"**Independent Adviser**" means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 5(II)(b)(ii)(1)(F)(aa));

"**Interpolated Benchmark**" with respect to the Original Reference Rate means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (i) the Original Reference Rate for the longest period (for which the Original Reference Rate is available) that is shorter than the Corresponding Tenor and (ii) the Original Reference Rate for the shortest period (for which the Original Reference Rate is available) that is longer than the Corresponding Tenor;

"**ISDA Definitions**" means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series) (as specified in the applicable Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or (if specified in the applicable Pricing Supplement) the 2021 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as may be updated, amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be positive or negative value or zero) that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the Original Reference Rate in the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Original Reference Rate**" means, initially, SORA (being the originally-specified benchmark rate used to determine the Rate of Interest (or any component part thereof) on the Notes), provided that if a Benchmark Event has occurred with respect to the then-current Original Reference Rate, then Original Reference Rate means the applicable Benchmark Replacement;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored or endorsed by, chaired or co-chaired by or constituted at the request of:

(1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;

(2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);

(3) a group of the aforementioned central banks or other supervisory authorities; or

(4) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement for the Original Reference Rate for the Corresponding Tenor.

(2) in the case of Floating Rate Notes which are not SORA Notes, the Calculation Agent will determine the Rate of Interest in respect of any Interest Period at or about the Relevant Time on the Interest Determination Date in respect of such Interest Period as follows:

(A) if the Primary Source for the Floating Rate Notes is a Screen Page (as defined below), subject as provided below, the Rate of Interest in respect of such Interest Period shall be:

(aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or

(bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Interest Determination Date,

and as adjusted by the Spread (if any);

(B) if the Primary Source for the Floating Rate Notes is Reference Banks or if paragraph (b)(ii)(2)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Interest Determination Date or if paragraph (b)(ii)(2)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Issuer (or an Independent Adviser appointed by it) shall request each of the Reference Banks to provide the Issuer (or an Independent Adviser appointed by it) with its offered quotation (expressed as a percentage rate per annum) for the Relevant Rates at the Relevant Time on the Interest Determination Date in question. The Issuer shall notify such Relevant Rates of the Reference Banks to the Calculation Agent (on which the Calculation Agent shall be entitled to rely conclusively without further enquiry or any liability). The Rate of Interest shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Interest Determination Date and as adjusted by the Spread (if any);

(C) if paragraph (b)(ii)(2)(B) applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date; and

(D) if the relevant Calculation Agent is unable to determine the Rate of Interest for an Interest Period in accordance with paragraphs (b)(ii)(2)(A) to (b)(ii)(2)(C) above, the Rate of Interest for such Interest Period shall be the Rate of Interest in effect for the last preceding Interest Period to which paragraphs (b)(ii)(2)(A), (b)(ii)(2)(B) or (b)(ii)(2)(C) above should have applied.

(iii) On the last day of each Interest Period, (except as otherwise specified in the applicable Pricing Supplement) the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.

(iv) For the avoidance of doubt, in the event that the Rate of Interest as determined in accordance with the foregoing in relation to any Interest Period is less than zero (subject to any applicable Minimum Rate of Interest), the Rate of Interest in relation to such Interest Period shall be equal to zero.

(v) If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with Condition 5(II)(b) is less than such Minimum Rate of Interest, the rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

(vi) If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with Condition 5(II)(b) is more than such Maximum Rate of Interest, the rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(vii) The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

(c) **Rate of Interest – Variable Rate Notes**

(i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Agreed Yield**" and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Rate of Interest**".

(ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:

(1) not earlier than the 30th calendar day nor later than the day as specified in the relevant Pricing Supplement, (taking into account the requirements of the clearing systems, the Trustee and the Agents) prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:

(A) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;

(B) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and

(C) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an "**Agreed Rate**") and, in the event of the Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and

(2) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period prior to the commencement of such Interest Period in accordance with (1) above, or if there shall be no Relevant Dealer during the period for agreement referred to in (1) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.

(iii) The Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent pursuant to the Agency Agreement that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) (or such other day and/or time as the Issuer and the Relevant Dealer may agree) on the next following business day:

(1) notify the Issuing and Paying Agent and the Calculation Agent of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and

(2) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.

(iv) For the purposes of sub-paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the "**Fall Back Rate**") determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SORA (in which case such Variable Rate Note(s) will be SORA Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

Such rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Variable Rate Note. The "**Spread**" is the percentage rate per annum specified on the face of such Variable Rate Note as being applicable to the rate of interest for such Variable Rate Note. The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Calculation Agent in accordance with the provisions of Condition 5(II)(b)(ii) above (*mutatis mutandis*) and references therein to "**Rate of Interest**" shall mean "**Fall Back Rate**".

(v) If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

(vi) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

(d) **Definitions**

As used in these Conditions:

"**Benchmark**" means the rate specified as such in the applicable Pricing Supplement;

"**business day**" means, in respect of each Note, (i) a day (other than a Saturday, Sunday or gazetted public holiday) on which Euroclear, Clearstream, Luxembourg and CDP, as applicable, are operating, (ii) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent's specified office and (iii) (if a payment is to be made on that day) (1) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore, (2) (in the case of Notes denominated in Euro) a day (other than a Saturday, Sunday or gazetted public holiday) on which the TARGET System is open for settlement in Euro and (3) (in the case of Notes denominated in a currency other than Singapore dollars and Euro) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore and the principal financial centre for that currency;

"**Calculation Amount**" means the amount specified as such on the face of any Note, or, if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with Condition 5:

(i) if "Actual/Actual" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period divided by 365 (or, if any portion of that Fixed Rate Interest Period or, as the case may be, Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Fixed Rate Interest Period or, as the case may be, Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Fixed Rate Interest Period or, as the case may be, Interest Period falling in a non-leap year divided by 365);

(ii) if "Actual/360" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period in respect of which payment is being made divided by 360;

(iii) if "Actual/365 (Fixed)" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period in respect of which payment is being made divided by 365; and

(iv) if "30/360" is specified in the applicable Pricing Supplement, the number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

"**Euro**" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;

"**Independent Adviser**" means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 5(II)(b)(ii)(1)(F)(aa));

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

"**Interest Determination Date**" means, with respect to a Rate of Interest and an Interest Period, the date set out in the applicable Pricing Supplement or, if none is so specified and only if the Benchmark is SORA, has the meaning given to it in Condition 5(II)(b)(ii)(1)(A)(aa), 5(II)(b)(ii)(1)(A)(bb), 5(II)(b)(ii)(1)(A)(cc), 5(II)(b)(ii)(1)(A)(dd) or 5(II)(b)(ii)(1)(B) as applicable;

"Primary Source" means (i) the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Bloomberg agency or the Reuters Monitor Money Rates Service ("**Reuters**")) agreed to by the Calculation Agent or (ii) the Reference Banks, as the case may be;

"**Reference Banks**" means the institutions specified as such in the applicable Pricing Supplement or, if none, three major banks selected by the Issuer in the inter-bank market that is most closely connected with the Benchmark;

"**Relevant Currency**" means the currency in which the Notes are denominated;

"**Relevant Dealer**" means, in respect of any Variable Rate Note, the Dealer party to the Programme Agreement (as defined in the Trust Deed) referred to in the Agency Agreement with whom the Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Programme Agreement;

"**Relevant Financial Centre**" means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note or Variable Rate Note, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

"**Relevant Rate**" means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Interest Period;

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter-bank market in the Relevant Financial Centre;

"**Screen Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System or any successor thereto.

(III) **Interest on Hybrid Notes**

(a) **Interest Rate and Accrual**

Each Hybrid Note bears interest on its principal amount outstanding from the Interest Commencement Date in respect thereof and as shown on the face of such Note.

(b) **Fixed Rate Period**

(i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its principal amount outstanding from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on an Interest Payment Date.

(ii) The first payment of interest will be made on the Interest Payment Date next following the first day of the Fixed Rate Period (and if the first day of the Fixed Rate Period is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the last day of the Fixed Rate Period falls before the date on which the first payment of interest would otherwise be due. If the last day of the Fixed Rate Period is not an Interest Payment Date, interest from (and including) the preceding Interest Payment Date (or from (and including) the first day of the Fixed Rate Period, as the case may be) to (but excluding) the last day of the Fixed Rate Period will amount to the Final Broken Amount shown on the face of the Note.

(iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from (and including) the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal (or the Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) to (but excluding) the Relevant Date.

(iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon during the Fixed Rate Period.

(c) **Floating Rate Period**

(i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its principal amount outstanding from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"), unless Payment Delay is specified in the applicable Pricing Supplement for a SORA Note, in which case interest (save for interest in respect of the final Interest Period (as defined below), which will be payable in arrear on the final Interest Payment Date) will be payable in arrear on the last business day of the Delay Period as set out in the applicable Pricing Supplement following each Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the

"**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be).

If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified hereon is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

(ii) The period beginning on (and including) the first day of the Floating Rate Period and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "**Interest Period**".

(iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from (and including) the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) and the Agency Agreement to (but excluding) the Relevant Date.

(iv) The provisions of Condition 5(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

(IV) **Zero-Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero-Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note (determined in accordance with Condition 6(h)). As from the Maturity Date, the rate of interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 6(h)).

(V) **Calculations**

(a) **Determination of Rate of Interest and Calculation of Interest Amounts**

The Calculation Agent will, as soon as practicable after the Relevant Time on each Interest Determination Date, or such other time on such date as such Calculation Agent may be required to calculate any rate or amount, or make any determination or calculation, determine the Rate of Interest and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each Calculation Amount of the relevant Floating Rate Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period or calculate the Redemption Amount (if applicable) or Early Redemption Amount (if applicable) or make such determination or calculation, as the case may be. The amount of interest payable in respect of any Note shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the relevant currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(b) **Notification**

The Calculation Agent will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount (if applicable) to be notified to the Issuing and Paying Agent, the Trustee, the Issuer and (in the case of Floating Rate Notes) to be notified to Noteholders in accordance with Condition 16 as soon as possible after their determination but in no event later than the fourth business day thereafter. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period by reason of any Interest Payment Date not being a business day. If the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 10, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts need to be made unless the Trustee requires otherwise.

(c) **Failure to Determine or Calculate Rate of Interest**

If the Calculation Agent does not at any material time determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, it shall as soon as reasonably practicable notify the Trustee, the relevant Issuing and Paying Agent and the Issuer, and the Issuer shall endeavour to appoint an alternative Calculation Agent. In doing so, the alternative Calculation Agent shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. If the Issuer fails to so appoint, the Notes will, for the relevant Interest Period, bear interest at the rate in effect for the last preceding Interest Period to which Condition 5(II) and 5(III) above shall have applied and the Issuing and Paying Agent will determine the relevant Interest Amount.

(d) **Calculation Agent and Reference Banks**

The Issuer will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note (in each case, that is not a SORA Note) remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Note, Variable Rate Note, Hybrid Note or Zero-Coupon Note remains outstanding, there shall at all times be a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts, Redemption Amount (if applicable) or Early Redemption Amount (if applicable), the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Calculation Agent may not resign from its duties without a successor having been appointed as aforesaid.

6. REDEMPTION AND PURCHASE

(a) **Redemption at Maturity Date**

Unless previously redeemed or purchased and cancelled as provided below, this Note will be redeemed at its Redemption Amount on the Maturity Date shown on its face (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero-Coupon Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

So long as the Notes are listed on any stock exchange, the Issuer shall comply with the rules of such stock exchange in relation to the publication of any redemption of such Notes.

(b) **Redemption at the Option of Noteholders**

If so provided hereon, the Issuer shall, at the option of the holder of any Note, redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to (but excluding) the date fixed for redemption. To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent or the Issuer (as applicable) within the Noteholder's Redemption Option Period shown on the face hereof. Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(c) **Redemption at the Option of the Issuer**

If so provided hereon, the Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Notes at their Redemption Amount or integral multiples thereof, and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued to (but excluding) the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws. So long as the Notes are listed on any stock exchange, the Issuer shall (unless a waiver is obtained from such stock exchange) comply with the rules of such stock exchange in relation to the publication of any redemption of such Notes.

(d) **Purchase at the Option of the Issuer**

If so provided hereon, the Issuer shall have the option to purchase all or any of the Fixed Rate Notes, Floating Rate Notes, Variable Rate Notes or Hybrid Notes at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Noteholders shall be bound to sell such Notes to the Issuer accordingly. To exercise such option, the Issuer shall give irrevocable notice to the Noteholders within the Issuer's Purchase Option Period shown on the face hereof. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent or, as the case may be, the Registrar for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

In the case of a purchase of some only of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes to be purchased, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any stock exchange, the Issuer shall (unless a waiver is obtained from such stock exchange) comply with the rules of such stock exchange in relation to the publication of any purchase of such Notes.

(e) **Purchase at the Option of Noteholders**

(i) Each Noteholder shall have the option to have all or any of his Variable Rate Notes purchased by the Issuer at their Redemption Amount on any Interest Payment Date and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) such Variable Rate Notes to be purchased with the Issuing and Paying Agent at its specified office together with all Coupons relating to such Variable Rate Notes which mature after the date fixed for purchase and all unexchanged Talons, or (in the case of Registered Notes) the Certificate representing such Variable Rate Note(s) to be purchased with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes or Certificates representing Variable Rate Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Variable Rate Notes may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Variable Rate Note (together

with all unmatured Coupons and unexchanged Talons) to the Issuing and Paying Agent, and in the case of Registered Notes, by surrendering the Certificate representing such Variable Rate Notes to the Registrar. The Variable Rate Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

(ii) If so provided hereon, each Noteholder shall have the option to have all or any of his Fixed Rate Notes, Floating Rate Notes or Hybrid Notes purchased by the Issuer at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) such Note to be purchased (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) to be purchased with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' Purchase Option Period shown on the face hereof. Any Notes or Certificates so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Notes may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering such Note (together with all unmatured Coupons and unexchanged Talons) to the Issuing and Paying Agent, and in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

(f) **Redemption for Taxation Reasons**

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero-Coupon Notes) Early Redemption Amount (as determined in accordance with Condition 6(h)) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the relevant Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer taking reasonable measures available to it (which shall not require the Issuer to incur unreasonable costs), provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee and the Issuing and Paying Agent a certificate signed by the relevant authorised signatory(ies) of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts

showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal, tax or any other professional advisors of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change, amendment, interpretation or pronouncement.

(g) **Purchases**

The Issuer or any of its subsidiaries may at any time purchase Notes at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is in compliance with all relevant laws, regulations and directives.

Notes purchased by the Issuer or any of its subsidiaries may be surrendered by the purchaser to, in the case of Bearer Notes, the Issuing and Paying Agent and, in the case of Registered Notes, the Registrar for cancellation or may at the option of the Issuer or any of its subsidiaries (as the case may be) be held or resold at their absolute discretion.

For the purposes of these Conditions, "**directive**" includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(h) **Early Redemption of Zero-Coupon Notes**

(i) The Early Redemption Amount payable in respect of any Zero-Coupon Note, the Early Redemption Amount of which is not linked to an index and/or formula, upon redemption of such Note pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 10, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 5(IV).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(i) **Mandatory Redemption upon Termination of H-REIT**

In the event that H-REIT is or is to be terminated in accordance with the provisions of the H-REIT Trust Deed (as defined in the Trust Deed), the Issuer shall redeem all (and not some only) of the Notes at their Redemption Amount together with interest accrued to the date fixed for redemption on any date on which interest is due to be paid on such Notes or, if earlier, the date of termination of H-REIT.

The Issuer shall forthwith notify the Trustee, the Issuing and Paying Agent, the Registrar, the Transfer Agent, the Calculation Agent and the Noteholders of the termination of H-REIT and the proposed date of redemption of the Notes.

(j) **Redemption upon De-listing of H-REIT**

If on any date, (1) the units of H-REIT (as part of the stapled securities of CDL Hospitality Trusts or otherwise) cease to be listed and/or traded on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") or (2) trading in the units of H-REIT (as part of the stapled securities of CDL Hospitality Trusts or otherwise) on the SGX-ST is suspended for a continuous period exceeding 10 consecutive market days, the Issuer shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount, together with interest accrued to (but excluding) the date fixed for redemption, on the date (or, if such date is not a business day, on the immediately preceding business day) falling 30 days after the Effective Date (as defined below).

To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent at its specified office, or (in the case of Registered Notes) the Certificate representing such Notes with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, no later than the date falling 15 days after the Effective Date. The Issuer shall, within seven (7) days after the Effective Date give notice to the Trustee, the Issuing and Paying Agent and the Noteholders of the occurrence of the event specified in this Condition 6(j) (provided that any failure by the Issuer to give such notice shall not prejudice any exercise of such option).

The completed option exercise notice delivered by the Noteholder shall be irrevocable and any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

For the purposes of this Condition:

"**Effective Date**" means (in the case of (1) above) the date of cessation of listing and/or trading or (in the case of (2) above) the business day immediately following the expiry of such continuous period of 10 consecutive market days; and

"**market day**" means a day on which the SGX-ST is open for securities trading.

(k) **Redemption in the case of Minimum Outstanding Amount**

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount together with interest accrued to (but excluding) the date fixed for redemption if, immediately before giving such notice, the aggregate principal amount of the Notes outstanding is less than 20 per cent. of the aggregate principal amount originally issued.

(l) **Cancellation**

All Notes purchased by or on behalf of the Issuer and/or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar, and in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes or Certificates so surrendered for cancellation may not be reissued or resold.

7. PAYMENTS

(a) **Principal and Interest in respect of Bearer Notes**

Payments of principal (which shall include the Redemption Amount or Early Redemption Amount) and interest in respect of the Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be, at the specified office of the Issuing and Paying Agent by transfer to an account maintained by the holder in that currency with a bank in the principal financial centre for that currency.

(b) **Principal and Interest in respect of Registered Notes**

(i) Payments of principal in respect of Registered Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of the Transfer Agent or of the Registrar and in the manner provided in Condition 7(b)(ii).

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made by transfer to an account maintained by the holder in that currency with a bank in the principal financial centre for that currency.

(c) **Payments subject to law etc.**

Without prejudice to the provisions of Condition 8, all payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law, regulation or directive implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(d) **Appointment of Agents**

The Issuing and Paying Agent, Registrar, Transfer Agent and Calculation Agent initially appointed by the Issuer and their specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and the Paying Agent, Registrar, Transfer Agent and/or the Calculation Agent in accordance with the terms of the Agency Agreement and to appoint additional or other Agents, provided that

it will at all times maintain (i) an Issuing and Paying Agent, (ii) a Transfer Agent in relation to Registered Notes, (iii) a Registrar in relation to Registered Notes and (iv) a Calculation Agent where the Conditions so require. Any such appointment shall be binding on the Noteholders and Couponholders.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 16.

The Agency Agreement may be amended by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee, without the consent or sanction of any holder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein of a formal, minor or technical nature, to correct a manifest error or to comply with mandatory provisions of Singapore law or which is required by Euroclear and/or Clearstream, Luxembourg, CDP and/or any other clearing system in which the Notes may be held or in any manner which the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee may mutually deem necessary or desirable and which does not, in the reasonable opinion of the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee, adversely affect the interests of the holders. Such amendment shall be binding on the Noteholders and Couponholders.

(e) **Unmatured Coupons and Unexchanged Talons**

(i) Bearer Notes which comprise Fixed Rate Notes and Hybrid Notes should be surrendered for payment together with all unmatured Coupons and unexchanged Talons (if any) relating to such Notes (and, in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within the prescription period relating thereto under Condition 9.

(ii) Subject to the provisions of the relevant Pricing Supplement upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Variable Rate Note or Hybrid Note, unmatured Coupons relating to such Note (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Where any Bearer Note comprising a Floating Rate Note, Variable Rate Note or Hybrid Note is presented for redemption without all unmatured Coupons and unexchanged Talons (if any) relating to it (and, in the case of the Hybrid Note, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate.

(f) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(g) **Non-business days**

Subject as provided in the relevant Pricing Supplement and/or in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) **Default Interest**

If on or after the due date for payment of any sum in respect of the Notes or, as the case may be, the Coupons, payment of all or any part of such sum is not made against due presentation of the Notes or, as the case may be, the Coupons, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders, or, as the case may be, Couponholders (as well after as before judgment) at a rate per annum determined by the Issuing and Paying Agent to be equal to two (2) per cent. per annum above (in the case of a Fixed Rate Note or a Hybrid Note during the Fixed Rate Period) the Interest Rate applicable to such Note, (in the case of a Floating Rate Note or a Hybrid Note during the Floating Rate Period) the Rate of Interest applicable to such Note or (in the case of a Variable Rate Note) the variable rate by which the Agreed Yield applicable to such Note is determined or, as the case may be, the Rate of Interest applicable to such Note, or in the case of a Zero-Coupon Note, as provided for in the relevant Pricing Supplement. So long as the default continues then such rate shall be re-calculated on the same basis at intervals of such duration as the Issuing and Paying Agent may select, save that the amount of unpaid interest at the above rate accruing during the preceding such period shall be added to the amount in respect of which the Issuer is in default and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this paragraph shall be calculated on the Day Count Fraction specified hereon and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.

8. TAXATION

(a) **No deduction or withholding**

All payments in respect of the Notes and Coupons by or on behalf of the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such

withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

(i) by or on behalf of a holder who is subject to such Taxes by reason of his being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being (1) a resident in Singapore for tax purposes or (2) a non-resident of Singapore who has been granted an exemption by the Inland Revenue Authority of Singapore in respect of the requirement to withhold tax on payments made to it);

(ii) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or

(iii) by or on behalf of a holder who would be able to lawfully avoid (but has not so avoided) such deduction or withholding by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence but fails to do so.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any additional amount or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretation thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

(b) **Interpretation**

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Noteholders in accordance with Condition 16 that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts, Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6, "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 and any reference to "**principal**" and/or "**premium**" and/or "**Redemption Amounts**" and/or "**interest**" and/or "**Early Redemption Amounts**" shall be deemed to include any additional amounts which may be payable under these Conditions.

9. PRESCRIPTION

The Notes and Coupons shall become void unless presented for payment within three (3) years from the Relevant Date for payment.

10. EVENTS OF DEFAULT

If any of the following events ("**Events of Default**") occurs the Trustee at its discretion may (but it is not obliged to), and if so requested in writing by the holders of at least 30 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, in each case, subject to it being indemnified and/or secured and/or pre-funded to its satisfaction, give notice in writing to the Issuer that the Notes are immediately repayable, whereupon the Redemption Amount of such Notes or (in the case of Zero-Coupon Notes) the Early Redemption Amount of such Notes together with accrued interest to (but excluding) the date of payment shall immediately become due and payable:

(a) default being made by the Issuer for seven business days in the payment of the principal or interest due in respect of any of the Notes as and when the same ought to be paid in accordance with the Trust Deed or the terms and conditions of the Notes;

(b) the Issuer failing to perform or observe any of its obligations (other than the payment obligations referred to in Condition 10(a)) under the Trust Deed or the Notes and, if that default is capable of remedy, it is not remedied within 30 days after the date on which the notice in writing is given by the Trustee to the Issuer requiring the same to be remedied;

(c) (i) any indebtedness (other than in respect of the Notes) of the Issuer or any of the H-REIT Principal Subsidiaries in respect of borrowed money is or is declared (otherwise than by the Issuer or such H-REIT Principal Subsidiary) or becomes due and payable before its stated maturity (as extended by any grace period permitted under the agreements or other documents evidencing or constituting such indebtedness) by reason of any event of default thereunder or is not being repaid at its stated maturity (as extended by any grace period permitted under the agreements or other documents evidencing or constituting such indebtedness); or

(ii) the Issuer or any of the H-REIT Principal Subsidiaries fails to pay when properly called upon to do so any present or future guarantee of indebtedness for, or indemnity in respect of, any moneys borrowed or raised,

provided however that no Event of Default will occur under this paragraph (c), (A) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned above in this paragraph (c) has/have occurred equals or exceeds S$60,000,000 or its equivalent in other currency or currencies, or (B) where such event is by reason of the Issuer or such H-REIT Principal Subsidiary, as the case may be, in good faith contesting or disputing any liability under such indebtedness. For the avoidance of doubt, there shall be no double-counting in the calculation of the aggregate amount of indebtedness for the purposes of calculating the threshold referred to in this paragraph (c).

For the purposes of this paragraph (c), "**borrowed money**" means any indebtedness (I) for or in respect of money borrowed or raised (whether or not for cash), by whatever means (including acceptances, factoring, finance leases entered into primarily as a method of raising finance or of financing the acquisition of the asset leased, hire purchase, and any form of "off-balance sheet" financing which, in accordance with the Singapore Financial Reporting Standards, would be required to be disclosed or otherwise noted in the consolidated accounts of H-REIT and its subsidiaries) or (II) for the deferred purchase price of assets or services acquired (other than goods or services obtained on normal commercial terms in the ordinary course of business);

(d) (i) a resolution is passed or an order of court is made for the winding-up or (as the case may be) termination of the Issuer or any of the H-REIT Principal Subsidiaries; or

(ii) the Issuer or any of the H-REIT Principal Subsidiaries shall apply for the winding-up of the Issuer or any of the H-REIT Principal Subsidiaries or similar resolutions are passed or orders or applications are made,

in each case, otherwise than (A) for the purposes of an amalgamation, reorganisation, merger or reconstruction not involving insolvency where either (1) such event does not materially and adversely affect the ability of the Issuer to perform or observe its obligations under the Trust Deed or the Notes or (2) the terms whereof have previously been approved by an Extraordinary Resolution or by the Trustee (such approval not to be unreasonably withheld) or (B) in the case only of any H-REIT Principal Subsidiary, by way of a voluntary winding-up where the surplus assets are distributed to the Issuer and/or any H-REIT Principal Subsidiary;

(e) any resolution being passed or any application being made in relation to the Issuer or any of the H-REIT Principal Subsidiaries to apply for administration, judicial management or other similar order or an order being made by any competent court for such proceedings in relation to the Issuer or any of the H-REIT Principal Subsidiaries where, in the case only of any H-REIT Principal Subsidiary, such event adversely affects or would adversely affect the ability of the Issuer to perform or observe any of its obligations under the Trust Deed or the Notes;

(f) an encumbrancer taking possession or a receiver, trustee, administrator or judicial manager or other similar official being appointed in relation to the whole or any substantial part of the assets or undertaking of the Issuer or any of the H-REIT Principal Subsidiaries, in each case, where such event adversely affects or would adversely affect the ability of the Issuer to perform or observe any of its obligations under the Trust Deed or the Notes;

(g) a distress or execution or other legal process is levied or enforced upon or sued out against the whole or any substantial part of the properties, assets or revenue of the Issuer or any of the H-REIT Principal Subsidiaries and not being discharged within 30 days thereof, in each case, where such event adversely affects or would adversely affect the ability of the Issuer to perform or observe any of its obligations under the Trust Deed or the Notes;

(h) the Issuer or any of the H-REIT Principal Subsidiaries stopping payment or threatening to stop payment of its debts generally (other than those contested in good faith and by appropriate proceedings) or being unable to pay its debts as they fall due under the laws of its country of incorporation or admitting its inability to pay its debts or becoming bankrupt or insolvent, or applies for a moratorium in respect of or affecting all or a substantial part of its indebtedness or property, proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors generally or a moratorium is agreed, effected, declared or otherwise arises by operation of law in respect of or affecting all or a substantial part of the indebtedness or (pursuant to an order of court that is issued in connection with a compromise or an arrangement proposed or intended to be proposed between the Issuer or any of the H-REIT Principal Subsidiaries and their respective creditors) property of the Issuer or any of the H-REIT Principal Subsidiaries;

(i) the Issuer or H-REIT shall cease or threaten to cease to carry on its principal business of investing in a diversified portfolio of income-producing real estate which is primarily used for hospitality, hospitality-related and/or other accommodation and/or lodging purposes;

(j) the whole or a substantial part of the undertaking or assets of the Issuer or any of the H-REIT Principal Subsidiaries being requisitioned, nationalised, sequestrated or compulsorily acquired by any competent authority where any such event has a material adverse effect on the financial position of the H-REIT and its subsidiaries taken as a whole;

(k) any of the Trust Deed, the Agency Agreement, the H-REIT Depository Agreement (as defined in the Trust Deed), the Deed of Covenant or the Notes ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer binding upon it in accordance with its terms;

(l) any event occurs which under the laws of any relevant jurisdiction has an analogous or equivalent effect to any of the events referred to in paragraphs (d), (e), (f), (g), (h), (i) or (j);

(m) (i) (1) the H-REIT Trustee (as defined in the Trust Deed) resigns or is removed, (2) an order is made for the winding-up of the H-REIT Trustee or a receiver, judicial manager, administrator, agent or similar officer of the H-REIT Trustee is appointed, or (3) there is a declaration, imposition or promulgation in Singapore or in any relevant jurisdiction of a moratorium, any form of exchange control or any law, directive or regulation of any agency or the amalgamation, reconstruction or reorganisation of the H-REIT Trustee which prevents or restricts the ability of the Issuer to perform its obligations under the Trust Deed; and

(ii) the replacement or substitute trustee of H-REIT is not appointed in accordance with the terms of the H-REIT Trust Deed;

(n) the H-REIT Manager (as defined in the Trust Deed), is removed pursuant to the terms of the H-REIT Trust Deed, and the replacement or substitute manager is not appointed in accordance with the terms of the H-REIT Trust Deed;

(o) it is or will become unlawful at any time for the Issuer to perform all or any of its payment or other material obligations under the Trust Deed or the Notes or the Coupons; and

(p) the Issuer or any of the H-REIT Principal Subsidiary is declared by the Minister of Finance to be a declared company under the provisions of Part 9 of the Companies Act 1967 of Singapore.

In these Conditions:

"**H-REIT Principal Subsidiary**" means, at any particular time, any subsidiary of H-REIT (whether through the Issuer as trustee of H-REIT or otherwise) whose total assets, as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries unless such consolidated accounts of such subsidiary is not required to be prepared), based upon which the latest audited consolidated accounts of H-REIT and its subsidiaries have been prepared, are at least 25 per cent. of the total assets of H-REIT and its subsidiaries as shown by such audited consolidated accounts, provided that:

(aa) if a H-REIT Principal Subsidiary transfers or otherwise disposes of any part of its assets to another subsidiary of H-REIT or any other person, the total assets of such subsidiaries shall be calculated by reference to the then latest audited balance sheet of each of the transferor and transferee subsidiary (as the case may be) adjusted as appropriate with effect from the date of transfer to reflect the transfer of such assets after the end of the financial period to which the balance sheet relates; and

(bb) if any subsidiary acquires any assets, the total assets of such subsidiary shall be calculated by reference to its then latest audited balance sheet adjusted as appropriate with effect from the date of acquisition to reflect the acquisition of such assets after the end of the financial period to which the balance sheet relates; and

"**subsidiary**" has the meaning ascribed to it in the Trust Deed.

11. ENFORCEMENT

At any time after the Notes shall have become due and repayable, the Trustee may, but shall not be obliged to and without further notice, institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes, together with accrued interest, but it shall not be bound to take any such proceedings unless (a) it shall have been so requested in writing by the holders of not less than 30 per cent. in principal amount of the Notes outstanding or so directed by an Extraordinary Resolution and (b) it shall have been indemnified and/or secured and/or pre-funded by the Noteholders to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect is continuing.

12. MEETING OF NOTEHOLDERS, MODIFICATIONS AND SUBSTITUTIONS

(a) Meeting of Noteholders and Modifications

The Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee (subject to it being indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, liabilities, costs claims and demands to which in its opinion it may render itself liable and all costs, charges, damages and expenses which it may incur by so doing) upon the request in writing by Noteholders holding not less than 10 per cent. in principal amount of the Notes of any Series for the time being outstanding shall, convene a meeting of the Noteholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (i) to amend the dates of maturity or

redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates of interest or the basis for calculating any amount of interest in respect of the Notes, (iv) to vary the currency or currencies of payment or denomination of the Notes, (v) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (vii) to vary any method of, or basis for, calculating the Redemption Amount or the Early Redemption Amount including the method of calculating Amortised Face Amount, will only be binding if passed at a meeting of the Noteholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

Any application of a Successor Rate, Alternative Rate, an Adjustment Spread or any rate determined in accordance with Condition 5(II)(b)(ii)(1)(F), as the case may be, and any related Benchmark Amendments shall not constitute a matter which is required to be approved by an Extraordinary Resolution.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any provisions of the Trust Deed or any of the Transaction Documents which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with the mandatory provisions of Singapore law or is required by Euroclear and/or Clearstream, Luxembourg and/or CDP and/or any other clearing system in which the Notes may be held and (ii) any modification (except as mentioned in the Trust Deed) to the Trust Deed and any of the other Transaction Documents, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any of the other Transaction Documents, which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification, authorisation or waiver shall be notified to the Noteholders as soon as practicable.

In connection with the exercise of its functions (including, but not limited to those in relation to any proposed modification, waiver, authorisation or substitution), the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders. No Noteholder shall be entitled to claim from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders except to the extent already provided for in Condition 8.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

For the purpose of ascertaining the right to attend and vote at any meeting of the Noteholders convened for the purpose of and in relation to Clauses 9.1(b) and 25 of the Trust Deed, Schedule 11 to the Trust Deed and Conditions 10, 11 and 12 of the Notes, those Notes (if any) which are beneficially held by, or are held on behalf of the Issuer and any of its subsidiaries and not cancelled shall (unless and until ceasing to be so held) be disregarded when determining whether the requisite quorum of such meeting has been met and any votes cast or purported to be cast at such meeting in respect of such Notes shall be disregarded and be null and void.

(b) **Substitutions**

The Trustee may (but shall not be obliged to), without the consent of the Noteholders or Couponholders, agree to the substitution of the H-REIT Trustee's successor in business or any subsidiary of the H-REIT Trustee or its successor in business or the replacement or substitute trustee of H-REIT (the "**Substituted Obligor**") in place of the H-REIT Trustee (or of any previous substitute under the Trust Deed) as the principal debtor under the Trust Deed, the Notes, the Certificates, the Coupons and the Talons provided that: (i) a deed is executed or undertaking given by the Substituted Obligor to the Trustee, in form and manner satisfactory to the Trustee, agreeing to be bound by the Trust Deed, the Notes, the Coupons and the Talons (with consequential amendments as the Trustee may deem appropriate) as if the Substituted Obligor had been named in the Trust Deed, the Notes, the Certificates, the Coupons and the Talons as the principal debtor in place of the H-REIT Trustee, (ii) if the Substituted Obligor is subject generally to the taxing jurisdiction of a territory or any authority of or in that territory with power to tax (the "**Substituted Territory**") other than the territory to the taxing jurisdiction of which (or to any such authority of or in which) the H-REIT Trustee is subject generally (the "**H-REIT Trustee's Territory**"), the Substituted Obligor shall (unless the Trustee otherwise agrees) give to the Trustee an undertaking satisfactory to the Trustee in terms corresponding to the terms of Condition 8 of the Notes, with the substitution for the references in that Condition to the H-REIT Trustee's Territory of references to the Substituted Territory whereupon the Trust Deed, the Notes, the Certificates, the Coupons and the Talons shall be read accordingly, (iii) (unless the H-REIT Trustee's successor in business or replacement H-REIT Trustee is the Substituted Obligor) the obligations of the Substituted Obligor under the Trust Deed, the Notes, the Certificates, the Coupons and the Talons are guaranteed by the H-REIT Trustee to the Trustee's satisfaction, (iv) each of the Issuer and the Substituted Obligor complies with such other requirements as the Trustee may reasonably direct in the interests of the Noteholders, and (v) each of the Trustee and the Agents (as defined in the Trust Deed) is satisfied that the Substituted Obligor has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations and its internal policies and procedures in relation to such substitution.

13. REPLACEMENT OF NOTES, CERTIFICATES, COUPONS AND TALONS

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Issuing and Paying Agent or, as the case may be, Transfer Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to the Noteholders in accordance with Condition 16, on payment by the claimant of the costs, expenses and duties incurred in connection therewith and on such terms as to evidence, undertaking, security, indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate or Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note, Certificate, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

14. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes of any Series and so that the same shall be consolidated and form a single Series with such Notes, and references in these Conditions to "**Notes**" shall be construed accordingly.

15. PROVISIONS RELATING TO THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment and from taking action to convene meetings unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee or any corporation related to it (or any director, officer or employee of the Trustee or any company or person in any other way associated with the Trustee) is entitled, *inter alia*, to enter into transactions with the Issuer (or any of its related corporations) in the ordinary course of business or in connection with the Notes or the Coupons or the Talons or which it could have entered into had it not been a trustee of the Trust Deed, and to act as trustee of the holders of any other securities issued by the Issuer (or any of its related corporations), and to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Trust Deed also provides that the Trustee will not be liable to the Noteholders and/or Couponholders for, *inter alia*, any action taken or omitted by it except where the Trustee's gross negligence, wilful default or fraud was the direct cause of any loss to the Noteholders, and that each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and the Trustee shall not at any time have any responsibility for the same and each Noteholder shall not rely on the Trustee in respect thereof.

16. NOTICES

Notices to the holders of Registered Notes shall be valid if mailed to them at their respective addresses in the Register and shall be deemed to have been given two days after the date of mailing. Notwithstanding the foregoing, notices to the holders of the Notes shall be valid if (a) published in a daily newspaper of general circulation in Singapore (it is expected that such publication will be made in The Business Times) or (b) an announcement is made through the internet-based submission system operated by the SGX-ST. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper or internet-based submission system as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition 16. Notices to the holders of Notes shall be in English language.

So long as the Notes are represented by a Global Security or Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg, CDP, or any other clearing system, there may be substituted for such publication in such newspapers, delivery to Noteholders or announcement through the internet-based submission system operated by the SGX-ST, the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg, (subject to the agreement of CDP) CDP or, as the case may be, such other clearing system, for communication by it to the Noteholders, except that if the Notes are listed on the SGX-ST and the rules of such exchange so require

or permit, notice will (unless waived by such exchange) in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or CDP.

Notices to be given by any Noteholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relevant Note or Notes, with the Issuing and Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Certificates). Whilst the Notes are represented by a Global Security or a Global Certificate, such notice may be given by any Noteholder to the Issuing and Paying Agent or, as the case may be, the Registrar through Euroclear, Clearstream, Luxembourg and/or CDP in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar and Euroclear, Clearstream, Luxembourg and/or CDP may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identities and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given two days from the date of despatch to the Noteholders.

17. GOVERNING LAW

(a) Governing Law

The Trust Deed, the Notes, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of Singapore.

(b) Jurisdiction

The courts of Singapore are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, any Notes, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, Notes, Coupons or Talons may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 2001 OF SINGAPORE

No person shall have any right under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce or enjoy the benefit of any term or condition of this Note.

19. LIMITATION OF LIABILITY OF THE H-REIT TRUSTEE

(a) Notwithstanding any provision to the contrary in the Trust Deed, the Notes or the Coupons, the Trustee, the Noteholders and the Couponholders agree and acknowledge that DBS Trustee Limited has entered into the Trust Deed only in its capacity as trustee of H-REIT and not in its personal capacity and all references to (i) the "H-REIT Trustee" or the "Issuer" shall be construed accordingly. As such, notwithstanding any provision to the contrary in the Trust Deed, the Notes or the Coupons, DBS Trustee Limited has assumed all obligations under the Trust Deed, the Notes or the Coupons solely in its capacity as trustee of H-REIT and not in its personal capacity and any liability of or indemnity, covenant, undertaking, representation and/or warranty given or to be given by the H-REIT Trustee under the Trust Deed, the Notes or the Coupons is given by DBS Trustee Limited in its capacity as trustee of H-REIT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent and/or delegate is limited to the assets of H-REIT over which DBS Trustee Limited in its capacity as trustee of H-REIT has recourse and shall not extend to any personal assets of DBS Trustee

Limited or any assets held by DBS Trustee Limited in its capacity as trustee of any other trust. Any obligation, matter, act, action or thing required to be done, performed or undertaken by the H-REIT Trustee under the Trust Deed, the Notes or the Coupons shall only be in connection with matters relating to H-REIT (and shall not extend to the obligations of DBS Trustee Limited in respect of any other trust or real estate investment trust of which it is trustee). The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Noteholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the H-REIT Trustee.

(b) Notwithstanding any provision to the contrary in the Trust Deed, the Notes and the Coupons, it is hereby acknowledged and agreed that the H-REIT Trustee's obligations under the Trust Deed, the Notes and the Coupons will be solely the corporate obligations of the DBS Trustee Limited in its capacity as trustee of H-REIT and there shall be no recourse against the shareholders, directors, officers or employees of DBS Trustee Limited for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of the Trust Deed, the Notes or the Coupons. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Noteholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the H-REIT Trustee.

(c) For the avoidance of doubt, any legal action or proceedings commenced against the H-REIT Trustee whether in Singapore or elsewhere pursuant to the Trust Deed, the Notes and the Coupons shall be brought against DBS Trustee Limited only in its capacity as trustee for H-REIT and not in its personal capacity. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Noteholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the H-REIT Trustee.

(d) This Condition 19 shall survive the termination or rescission of the Trust Deed, the Notes, the Coupons or the Talons.

(e) The provisions of this Condition 19 shall apply, *mutatis mutandis*, to any notices, certificates or other documents which the H-REIT Trustee issues under or pursuant to the Notes and any documents in connection therewith as if expressly set out in such notice, certificate or document.

TERMS AND CONDITIONS OF THE HBT NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Notes in definitive form (if any) issued in exchange for the Global Security(ies) or the Global Certificate(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the relevant Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes. Unless otherwise stated, all capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on such Bearer Notes or on Certificates relating to such Registered Notes. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme. Details of the relevant Series will be shown on the face of the relevant Notes and in the relevant Pricing Supplement.

The Notes are constituted by a trust deed dated 5 November 2025 made between (1) DBS Trustee Limited (in its capacity as trustee of CDL Hospitality Real Estate Investment Trust) and M&C Business Trust Management Limited (in its capacity as trustee-manager of CDL Hospitality Business Trust ("**HBT**")) (the "**Issuer**"), as issuers, and (2) The Bank of New York Mellon, Singapore Branch (the "**Trustee**", which expression shall wherever the context so admits include all persons for the time being the trustee or trustees of the Trust Deed (as defined below)), as trustee of the Noteholders (as defined below), and as amended, restated or supplemented from time to time (the "**Trust Deed**"), and (where applicable) the Notes are issued with the benefit of a deed of covenant dated 5 November 2025 executed by the Issuer, relating to Notes cleared through the CDP System (as defined in the Trust Deed) ("**CDP Notes**") issued by the Issuer (the "**Deed of Covenant**"). These terms and conditions (the "**Conditions**") are subject to the detailed provisions of the Trust Deed. The Issuer has entered into an agency agreement dated 5 November 2025 (as amended, restated or supplemented from time to time, the "**Agency Agreement**") made between (1) the Issuer and DBS Trustee Limited (in its capacity as trustee of CDL Hospitality Real Estate Investment Trust), as issuers, (2) The Bank of New York Mellon, Singapore Branch, as issuing and paying agent in respect of CDP Notes (in such capacity, the "**CDP Issuing and Paying Agent**"), transfer agent in respect of CDP Notes (in such capacity, the "**CDP Transfer Agent**"), registrar in respect of CDP Notes (in such capacity, the "**CDP Registrar**") and (where appointed as contemplated therein) calculation agent in respect of CDP Notes that may be appointed under the Agency Agreement or (as the case may be) the calculation agency agreement (the "**Calculation Agency Agreement**") made between the Issuer, the Trustee and the relevant calculation agent (the "**CDP Calculation Agent**"), (3) The Bank of New York Mellon, London Branch, as issuing and paying agent in respect of Notes that are cleared through a clearing system other than the CDP System ("**Non-CDP Notes**") (in such capacity, the "**Non-CDP Issuing and Paying Agent**" and, together with the CDP Issuing and Paying Agent, the "**Issuing and Paying Agents**" and, each an "**Issuing and Paying Agent**"), and (where appointed as contemplated therein) calculation agent in respect of Non-CDP Notes (in such capacity and, together with any other calculation agent that may be appointed in respect of Non-CDP Notes under the Agency Agreement or (as the case may be) the Calculation Agency Agreement, the "**Non-CDP Calculation Agent**" and, together with the CDP Calculation Agent, the "**Calculation Agents**", and each a "**Calculation Agent**"), (4) The Bank of New York Mellon SA/NV, Dublin Branch, as transfer agent in respect of Non-CDP Notes (in such capacity, the "**Non-CDP Transfer Agent**" and, together with the CDP Transfer Agent, the "**Transfer Agents**" and, each a "**Transfer Agent**"), and registrar in respect of Non-CDP Notes (in such capacity, the "**Non-CDP Registrar**" and, together with the CDP Registrar, the "**Registrars**", and each a "**Registrar**"), and (5) the Trustee, as trustee.

The Noteholders and the holders of the coupons (the "**Coupons**") appertaining to the interest-bearing Notes in bearer form (the "**Couponholders**"), and where applicable in the case of such Notes, talons for further Coupons (the "**Talons**"), are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant.

For the purposes of these Conditions, all references to (a) the Issuing and Paying Agent shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Issuing and Paying Agent, and in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Issuing and Paying Agent, (b) the Registrar shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Registrar and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Registrar, (c) the Transfer Agent, shall in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Transfer Agent and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Transfer Agent, and (d) the Calculation Agent shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Calculation Agent and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Calculation Agent, and (unless the context otherwise requires) all such references shall be construed accordingly.

Copies of the Trust Deed, the Agency Agreement, the Deed of Covenant and (if applicable) the Calculation Agency Agreement are available for inspection at the specified office of the Trustee for the time being and at the respective specified offices of the Issuing and Paying Agents for the time being during usual business hours, upon prior written request and satisfactory proof of holdings.

1. FORM, DENOMINATION AND TITLE

(a) Form and Denomination

(i) The Notes of the Series of which this Note forms part (in these Conditions, the "**Notes**") are issued in bearer form (the "**Bearer Notes**") or in registered form (the "**Registered Notes**"), and in each case in the Denomination Amount shown in the relevant Pricing Supplement. Subject to applicable laws, in the case of Registered Notes, such Notes are in the Denomination Amount shown in the relevant Pricing Supplement, which may include a minimum denomination and higher integral multiples of a smaller amount, in each case, as specified in the applicable Pricing Supplement.

(ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note or a note that does not bear interest (a "**Zero-Coupon Note**"), a combination of any of the foregoing or any other type of Note (depending upon the Interest and Redemption/Payment Basis shown on its face).

(iii) Bearer Notes are serially numbered and issued with Coupons (and where appropriate, a Talon) attached, save in the case of Zero-Coupon Notes in which case references to interest (other than in relation to default interest referred to in Condition 7(h)) in these Conditions are not applicable.

(iv) Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

(b) **Title**

(i) Subject as set out below, title to the Bearer Notes and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**").

(ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft, loss or forgery thereof, trust, interest therein or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

(iii) For so long as any of the Notes is represented by a Global Security (as defined below) or, as the case may be, a Global Certificate (as defined below) and such Global Security or Global Certificate is held by The Central Depository (Pte) Limited ("**CDP**"), each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by CDP as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, all other agents of the Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, premium, interest, redemption, purchase and/or any other amounts in respect of the Notes, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions, where the context requires, shall be construed accordingly). Notes which are represented by the Global Security or, as the case may be, the Global Certificate and held by CDP will be transferable only in accordance with the rules and procedures for the time being of CDP. For so long as any of the Notes is represented by a Global Security or, as the case may be, a Global Certificate and such Global Security or, as the case may be, such Global Certificate is held by CDP, the record date for the purposes of determining entitlements to any payment of principal, interest and any other amounts in respect of the Notes shall, unless otherwise specified by the Issuer, be the date falling five Business Days prior to the relevant payment date (or such other date as may be prescribed by CDP from time to time).

(iv) For so long as any of the Notes is represented by a Global Security or, as the case may be, a Global Certificate and such Global Security or Global Certificate is held by a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and/or any other clearing system (other than CDP), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or any such other clearing system (other than CDP) as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear,

Clearstream, Luxembourg and/or any other clearing system (other than CDP) as to the principal amount of such Notes (as the case may be) standing to the account of any person shall be conclusive and binding for all purposes, save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, and all other agents of the Issuer and the Trustee as the holder of such principal amount of such Notes other than with respect to the payment of principal, premium, interest, redemption, purchase and/or any other amounts in respect of such Notes, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, and all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions, where the context requires, shall be construed accordingly). Notes which are represented by a Global Security or, as the case may be, the Global Certificate and held by a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other clearing system (other than CDP) will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg or such other clearing system (other than CDP).

(v) In these Conditions, "**Global Security**" means the relevant Temporary Global Security representing each Series or the relevant Permanent Global Security representing each Series, "**Global Certificate**" means the relevant Global Certificate representing each Series that is registered in the name of, or in the name of a nominee of, (1) CDP, (2) a common depositary for Euroclear and/or Clearstream, Luxembourg and/or (3) any other clearing system, "**Noteholder**" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and "**holder**" (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon, or the person in whose name a Registered Note is registered (as the case may be), "**Series**" means (a) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (1) expressed to be consolidated and forming a single series and (2) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (b) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and "**Tranche**" means Notes which are identical in all respects (including as to listing).

(vi) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. NO EXCHANGE OF NOTES AND TRANSFER OF REGISTERED NOTES

(a) No Exchange of Notes:

Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination Amount may not be exchanged for Bearer Notes of another Denomination Amount. Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes:

Subject to Conditions 2(e) and 2(f) below, one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Registered Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar and the Trustee and (in the case of any change proposed by the Registrar) with the prior written approval of the Issuer and the Trustee. A copy of the current regulations will be made available by the Registrar, at the expense of the Issuer, to any Noteholder upon request.

(c) Exercise of Options or Partial Redemption or Purchase in Respect of Registered Notes:

In the case of an exercise of an Issuer's or a Noteholder's option in respect of, or a partial redemption or purchase of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed or purchased. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against the surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates:

Each new Certificate to be issued pursuant to Condition 2(b) or 2(c) shall be available for delivery within seven (7) business days of receipt of the form of transfer or exercise notice (as the case may be) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer, exercise notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, exercise notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so

specified, unless such holder requests otherwise and pays in advance to the Registrar or the Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which banks are open for business in the place of the specified office of the Registrar or the Transfer Agent (as the case may be).

(e) Transfers Free of Charge:

Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment by the holder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the Transfer Agent may require) in respect of tax or charges.

(f) Closed Periods:

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of fifteen (15) days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6, (ii) after any such Note has been called for redemption, (iii) during the period of seven (7) days ending on (and including) any Record Date (as defined in Condition 7(b)(ii)), or (iv) after an option exercise notice has been delivered to the Registrar or Transfer Agent in accordance with Condition 6(j).

3. STATUS

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and (subject to Condition 4(a)) unsecured obligations of the Issuer. The Notes and Coupons shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

4. NEGATIVE PLEDGE AND FINANCIAL COVENANT

(a) Negative Pledge

The Issuer has covenanted with the Trustee in the Trust Deed that, so long as any of the Notes or Coupons remain outstanding, the Issuer shall not, and the Issuer shall procure that none of the HBT Principal Subsidiaries shall, create or permit to subsist any Security Interest (as defined below), upon the whole or any part of their respective present or future business, undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness (as defined below), other than a Permitted Security Interest (as defined below), unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

(i) all amounts payable by it under the Notes and the Coupons are secured by the Security Interest equally and rateably with any such Relevant Indebtedness; or

(ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

For the purpose of this Condition 4:

"**Permitted Security Interest**" means any security in respect of any debt securities issued by a specified purposes company (*tokutei mokuteki kaisha bonds*) pursuant to the Asset Liquidation Law (*shisan no ryudouka ni kansuru houritsu*) of Japan;

"**Relevant Indebtedness**" means (1) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being or are capable of being, listed, quoted, ordinarily dealt in or traded on any stock exchange or over-the-counter or other securities market and having an original tenure of more than one year; and (2) any guarantee or indemnity of any such indebtedness; and

"**Security Interest**" means any mortgage, charge, lien, pledge or other form of encumbrance or security interest.

(b) Financial covenant

The Issuer has further covenanted with the Trustee in the Trust Deed that, so long as any of the Notes or Coupons issued by it remain outstanding, the Issuer shall ensure that the ratio of Consolidated Total Borrowings to Consolidated Total Assets shall not at any time exceed 0.7 times.

For the purposes of this Condition 4(b):

"**Consolidated Total Assets**" means, at any particular time, the consolidated amount of the book values of all assets of the HBT Group (as defined in the Trust Deed), determined as assets in accordance with generally accepted accounting principles in Singapore; and

"**Consolidated Total Borrowings**" means, in relation to the HBT Group, an amount (expressed in Singapore Dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of:

(i) bank overdrafts and all other indebtedness in respect of any borrowings maturing within 12 months;

(ii) the principal amount of the Notes or any bonds or debentures of any member of the HBT Group whether issued for cash or a consideration other than cash;

(iii) the liabilities of the Issuer under the Trust Deed or the Notes;

(iv) all other indebtedness whatsoever of the HBT Group for moneys borrowed or raised; and

(v) any redeemable preference shares or units issued by any member of the HBT Group and which are regarded by generally accepted accounting principles in Singapore as debt or other liabilities of the HBT Group (other than those shares or units (including preference shares or units issued by a member of the HBT Group to another member of the HBT Group) which are regarded as equity as reflected in the HBT Group's latest audited consolidated balance sheet prepared in accordance with generally accepted accounting principles in Singapore),

provided that where such aggregate amount falls to be calculated, no amount shall be taken into account more than once in the same calculation.

For the avoidance of doubt, for the purposes of this definition, any perpetual securities issued by any member of the HBT Group which are regarded by generally accepted accounting principles in Singapore as ″equity″ shall be treated as such (and not as debt).

5. RATE OF INTEREST

(I) Interest on Fixed Rate Notes

(a) Interest Rate and Accrual

Each Fixed Rate Note bears interest on its principal amount outstanding from (and including) the Interest Commencement Date in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of such Note in each year and on the Maturity Date shown on the face of such Note if that date does not fall on an Interest Payment Date.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date (and if the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the Maturity Date falls before the date on which the first payment of interest would otherwise be due. If the Maturity Date is not an Interest Payment Date, interest from (and including) the preceding Interest Payment Date (or from (and including) the Interest Commencement Date, as the case may be) to (but excluding) the Maturity Date will amount to the Final Broken Amount shown on the face of the Note.

Interest will cease to accrue on each Fixed Rate Note from (and including) the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount shown on the face of the Note is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(I) to (but excluding) the Relevant Date (as defined in Condition 8).

(b) Calculations

In the case of a Fixed Rate Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon.

For the purposes of these Conditions, "**Fixed Rate Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

(II) Interest on Floating Rate Notes or Variable Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note or Variable Rate Note bears interest on its principal amount outstanding from the Interest Commencement Date in respect thereof and as shown on

the face of such Note, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"), unless Payment Delay is specified in the applicable Pricing Supplement for a SORA Note, in which case interest (save for interest in respect of the final Interest Period (as defined below), which will be payable in arrear on the final Interest Payment Date) will be payable in arrear on the last business day of the Delay Period as set out in the applicable Pricing Supplement following each Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be), provided that the Agreed Yield (as defined in Condition 5(II)(c)) in respect of any Variable Rate Note for any Interest Period relating to that Variable Rate Note shall be payable on the first day of that Interest Period.

If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "**Interest Period**".

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from (and including) the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(II) to (but excluding) the Relevant Date.

(b) **Rate of Interest – Floating Rate Notes**

(i) Each Floating Rate Note bears interest at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Note, being (in the case of Notes which are denominated in Singapore dollars) SORA (in which case such Note will be a "**SORA Note**"), or in any other case such other Benchmark as is set out on the face of such Note.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Note. The "**Spread**" is the percentage rate per annum specified on the face of such Note as being applicable to the rate of interest for such Note. The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

The rate of interest payable in respect of a Floating Rate Note from time to time is referred to in these Conditions as the "**Rate of Interest**".

(ii) The Rate of Interest payable from time to time in respect of each Floating Rate Note will be determined by the Calculation Agent on the basis of the following provisions:

(1) in the case of Floating Rate Notes which are SORA Notes, the Rate of Interest for each Interest Period will, subject as provided below, be equal to the relevant SORA Benchmark (as defined below) plus or minus the Spread.

The "**SORA Benchmark**" will be determined based on Compounded Daily SORA or SORA Index Average, as follows:

(A) if Compounded Daily SORA ("**Compounded Daily SORA**") is specified in the applicable Pricing Supplement, the SORA Benchmark for each Interest Period shall be determined based on Compounded Daily SORA which shall be calculated by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the relevant Interest Determination Date in accordance with one of the formulas referenced below depending upon which Observation Method is specified in the applicable Pricing Supplement:

(aa) where "Lockout" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period;

"**d_o**", for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

"***i***", for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

"**Interest Determination Date**" means the Singapore Business Day immediately following the Rate Cut-off Date, unless otherwise specified in the applicable Pricing Supplement;

"**n_i**", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Rate Cut-Off Date**" means, with respect to a Rate of Interest and Interest Period, the date falling "***p***" Singapore Business Days prior to the Interest Payment Date in respect of the relevant Interest Period (or the date falling "***p***" Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*";

"**$SORA_i$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Interest Period:

I. if such Singapore Business Day is a SORA Reset Date, the reference rate equal to SORA in respect of that Singapore Business Day; and

II. if such Singapore Business Day is not a SORA Reset Date (being a Singapore Business Day falling in the Suspension Period), the reference rate equal to SORA in respect of the first Singapore Business Day falling in the Suspension Period (the "**Suspension Period $SORA_i$**") (such first day of the

Suspension Period coinciding with the Rate Cut-Off Date). For the avoidance of doubt, the Suspension Period $SORA_i$ shall apply to each day falling in the relevant Suspension Period;

"**SORA Reset Date**" means, in relation to any Interest Period, each Singapore Business Day during such Interest Period, other than any Singapore Business Day falling in the Suspension Period corresponding with such Interest Period; and

"**Suspension Period**" means, in relation to any Interest Period, the period from (and including) the date falling "*p*" Singapore Business Days prior to the Interest Payment Date in respect of the relevant Interest Period (or the date falling "p" Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable) or such other date specified in the applicable Pricing Supplement (such Singapore Business Day coinciding with the Rate Cut-Off Date) to (but excluding) the Interest Payment Date of such Interest Period (or such earlier date, if any, on which the SORA Notes become due and payable).

(bb) where "Lookback" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_{i-x\ SBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period;

"**d_o**", for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

"***i***", for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore

Business Day after the end of each Observation Period, unless otherwise specified in the applicable Pricing Supplement;

"**n_i**", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"**Observation Period**" means, for the relevant Interest Period, the period from, and including, the date falling "*p*" Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling "*p*" Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable);

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"**$SORA_{i-xSBD}$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Interest Period, the reference rate equal to SORA in respect of the Singapore Business Day falling "***p***" Singapore Business Days prior to the relevant Singapore Business Day "*i*".

(cc) where "Backward Shifted Observation Period" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest

one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Observation Period;

"**d_o**", for any Interest Period, is the number of Singapore Business Days in the relevant Observation Period;

"***i***", for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the applicable Pricing Supplement;

"**n_i**", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"**Observation Period**" means, for the relevant Interest Period, the period from, and including, the date falling "*p*" Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling "*p*" Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable);

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially

designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"**$SORA_i$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

(dd) where "Payment Delay" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Period;

"**d_o**", for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

"***i***", for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Interest Period provided that the Interest Determination Date with respect to the final Interest Period will be the date falling one Singapore Business Day after the Rate Cut-Off Date unless otherwise specified in the applicable Pricing Supplement;

"**n_i**", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Rate Cut-Off Date**" means the date that is "*p*" Singapore Business Days prior to the Maturity Date or the relevant redemption date, as applicable (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"$\mathbf{SORA}_i$" means, in respect of any Singapore Business Day "*i*" falling in the relevant Interest Period, the reference rate equal to SORA in respect of that Singapore Business Day.

For the purposes of calculating Compounded Daily SORA with respect to the final Interest Period ending on the Maturity Date or the redemption date where SORA Payment Delay is specified hereon, the level of SORA for each Singapore Business Day in the period from (and including) the Rate Cut-Off Date to (but excluding) the Maturity Date or the relevant redemption date, as applicable, shall be the level of SORA in respect of such Rate Cut-Off Date.

For the avoidance of doubt, the formula for the calculation of Compounded Daily SORA only compounds SORA in respect of any Singapore Business Day. SORA applied to a day that is not a Singapore Business Day will be taken by applying SORA for the previous Singapore Business Day but without compounding.

(B) For each Floating Rate Note where the reference rate is specified as being SORA Index Average ("**SORA Index Average**"), the SORA Benchmark for each Interest Period shall be determined based on the SORA Index Average which shall be calculated by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the relevant Interest Determination Date as follows:

$$\left(\frac{SORA\ Index_{End}}{SORA\ Index_{Start}} - 1\right) \times \left(\frac{365}{d_c}\right)$$

and the resulting percentage being rounded if necessary to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards, where:

"**d_c**" means the number of calendar days from (and including) the SORA $Index_{Start}$ to (but excluding) the SORA $Index_{End}$;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Period, the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the relevant Interest Payment Date or the relevant redemption date as applicable (or the date falling five Singapore Business Days prior to such earlier date, if any, on which the SORA Notes become due and payable), unless otherwise specified in the applicable Pricing Supplement;

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA Index**" means, in relation to any Singapore Business Day, the SORA Index as published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) at the SORA Index Determination Time (as defined below), *provided that* if the SORA Index does not so appear at the SORA Index Determination Time, then:

(aa) if a Benchmark Event has not occurred, the SORA Index Average shall be calculated on any Interest Determination Date with respect to an Interest Period, in accordance with the Compounded Daily SORA formula described above in Condition 5(II)(b)(ii)(1)(A)(cc), and the Observation Period shall be calculated with reference to the number of Singapore Business Days preceding the first date of the relevant Interest Period that is used in the definition of SORA $Index_{Start}$ as specified in the applicable Pricing Supplement; or

(bb) if a Benchmark Event has occurred, the provisions set forth in Condition 5(II)(b)(ii)(1)(F) shall apply;

"**SORA $Index_{End}$**" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the relevant Interest Payment Date or the relevant redemption date as applicable (or the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the SORA Notes become due and payable);

"**SORA $Index_{Start}$**" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the first date of the relevant Interest Period; and

"**SORA Index Determination Time**" means, in relation to any Singapore Business Day, approximately 3:00 p.m. (Singapore time) on such Singapore Business Day.

(C) If, subject to Condition 5(II)(b)(ii)(1)(F), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such day "*i*", SORA in respect of such day "*i*" has not been published and a Benchmark Event has not occurred, then SORA for that day "*i*" will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.

(D) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 5(II)(b)(ii)(1)(F), the Rate of Interest shall be:

(aa) that determined as at the last preceding Interest Determination Date or, as the case may be, Rate Cut-off Date (though substituting, where a different Spread (if any) or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Spread or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Period in place of the Spread or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or

(bb) if there is no such preceding Interest Determination Date or, as the case may be, Rate Cut-off Date, the initial Rate of Interest which would have been applicable to such Series of SORA Notes for the first Interest Period had the SORA Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Spread or Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period (if any)).

(E) If the relevant Series of SORA Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such SORA Notes became due and payable (with corresponding adjustments being deemed to be made to the applicable SORA Benchmark formula) and the Rate of Interest on such SORA Notes shall, for so long as any such SORA Note remains outstanding, be that determined on such date.

(F) **Benchmark Discontinuation and Replacement – SORA Notes**

(aa) **Independent Adviser**

Notwithstanding the provisions above in this Condition 5(II)(b)(ii)(1), if a Benchmark Event occurs in relation to an Original Reference Rate (as defined in Condition 5(II)(b)(ii)(1)(F)(gg)) prior to the relevant Interest Determination Date when any Rate of Interest (or any component part thereof) remains to be determined

by reference to such Original Reference Rate, then the Issuer shall use commercially reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine the Benchmark Replacement (in accordance with Condition 5(II)(b)(ii)(1)(F)(bb)) and an Adjustment Spread, if any (in accordance with Condition 5(II)(b)(ii)(1)(F)(cc)) and any Benchmark Amendments (in accordance with Condition 5(II)(b)(ii)(1)(F)(dd)) by no later than five business days prior to the relevant Interest Determination Date (the "**IA Determination Cut-off Date**").

An Independent Adviser appointed pursuant to this Condition 5(II)(b)(ii)(1)(F)(aa) as an expert shall act in good faith and in a commercially reasonable manner and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 5(II)(b)(ii)(1)(F).

If the Issuer is unable to appoint an Independent Adviser after using commercially reasonable endeavours, or the Independent Adviser appointed by it fails to determine the Benchmark Replacement prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine the Benchmark Replacement (in accordance with Condition 5(II)(b)(ii)(1)(F)(bb) and an Adjustment Spread, if any (in accordance with Condition 5(II)(b)(ii)(1)(F)(cc)) and any Benchmark Amendments (in accordance with Condition 5(II)(b)(ii)(1)(F)(dd)). If the Issuer is unable to or does not determine the Benchmark Replacement by five business days prior to the relevant Interest Determination Date, the Rate of Interest applicable to the relevant current Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest which would have been applicable to the Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date. Where a different Spread or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Spread or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Spread or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant current Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 5(II)(b)(ii)(1)(F)(aa)).

(bb) **Benchmark Replacement**

The Benchmark Replacement determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) shall (subject to adjustments as provided in Condition 5(II)(b)(ii)(1)(F)(cc)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(II)(b)(ii)(1)(F)).

(cc) **Adjustment Spread**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines:

(i) that an Adjustment Spread is required to be applied to the Benchmark Replacement; and

(ii) the quantum of, or a formula or methodology for, determining such Adjustment Spread,

then such Adjustment Spread shall be applied to the Benchmark Replacement.

(dd) **Benchmark Amendments**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines:

(i) that Benchmark Amendments are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread; and

(ii) the terms of the Benchmark Amendments,

then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(II)(b)(ii)(1)(F)(ee), without any requirement for the consent or approval of Noteholders vary these Conditions, the Agency Agreement and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent of a certificate signed by the authorised signatory(ies) of the Issuer pursuant to Condition 5(II)(b)(ii)(1)(F)(ee), the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting

any Benchmark Amendments (including, *inter alia*, by the execution of a deed or agreement supplemental to or amending the Trust Deed, the Agency Agreement, and these Conditions) and the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall not be liable to any party for any consequences thereof, provided that the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall not be obliged so to concur if in its opinion doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee, the Issuing and Paying Agent or the relevant Calculation Agent (as the case may be) in these Conditions, the Trust Deed or the Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee, the relevant Calculation Agent, the Transfer Agents, the Registrar and the Issuing and Paying Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement, and these Conditions as may be required in order to give effect to this Condition 5(II)(b)(ii)(1)(F). Noteholders' consent shall not be required in connection with effecting the Benchmark Replacement or such other changes, including for the execution of any documents or other steps by the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Registrar or the Transfer Agents (if required). Further, none of the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Registrar or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any Benchmark Amendment or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 5(II)(b)(ii)(1)(F)(dd), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(ee) **Notices, etc.**

Any Benchmark Replacement, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5(II)(b)(ii)(1)(F) will be notified promptly by the Issuer in writing to the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents and, in accordance with Condition 16, the Noteholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date for such Benchmark Replacement, any related Adjustment Spread and of the Benchmark Amendments, if any (such effective date not being less than five business days after the date of notice or such other period as may be agreed between the Issuer, the Trustee, the relevant Calculation Agent and the Issuing and Paying Agent). For the avoidance of doubt, neither the Trustee, the relevant Calculation

Agent nor the Issuing and Paying Agents shall have any responsibility for making such determination.

No later than notifying the Trustee, the Noteholders or the Couponholders of the same, the Issuer shall deliver to the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent a certificate signed by the authorised signatory(ies) of the Issuer:

(i) confirming (1) that a Benchmark Event has occurred, (2) the Benchmark Replacement, (3) where applicable, any Adjustment Spread and/or (4) the specific terms of any Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(II)(b)(ii)(1)(F); and

(ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread.

The Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. Further, none of the Trustee, the Issuing and Paying Agent, the relevant Calculation Agent, the Registrar or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to the Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard. The Benchmark Replacement, the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement, the Adjustment Spread (if any) or the Benchmark Amendments (if any) and without prejudice to the Trustee's, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent's and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Noteholders and the Couponholders.

(ff) **Survival of Original Reference Rate**

Without prejudice to the obligations of the Issuer under Conditions 5(II)(b)(ii)(1)(F)(aa), 5(II)(b)(ii)(1)(F)(bb), 5(II)(b)(ii)(1)(F)(cc) and 5(II)(b)(ii)(1)(F)(dd), the Original Reference Rate and the fallback provisions provided for in Condition 5, as applicable, will continue to apply unless and until the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent have been notified of the

Benchmark Replacement, and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 5(II)(b)(ii)(1)(F)(ee).

(gg) **Definitions**

For the purpose of this Condition 5(II)(b)(ii)(1)(F):

"**Adjustment Spread**" means either:

(i) a spread (which may be positive, negative or zero); or

(ii) the formula or methodology for calculating a spread, in either case, which the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines is required to be applied to the Benchmark Replacement to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Benchmark Replacement and is the spread, formula or methodology which:

(1) is formally recommended in relation to the replacement of the Original Reference Rate with the applicable Benchmark Replacement by any Relevant Nominating Body (as defined below);

(2) if the applicable Benchmark Replacement is the ISDA Fallback Rate, is the ISDA Fallback Adjustment; or

(3) is determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) having given due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Original Reference Rate with the applicable Benchmark Replacement for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Notes;

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines in accordance with Condition 5(II)(b)(ii)(1)(F)(bb)) has replaced the Original Reference Rate for the Corresponding Tenor in customary market usage in the international or if applicable, domestic debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Notes (including, but not limited to applicable government bonds);

"**Benchmark Amendments**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Interest Period", timing and frequency of determining rates and making payments of interest, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the Interest Period, any other amendments to these Conditions, the Trust Deed, and/or the Agency Agreement, and other administrative matters) that the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines that adoption of any portion of such market practice is not administratively feasible or if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines that no market practice for use of such Benchmark Replacement exists, in such other manner as the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines is reasonably necessary);

"**Benchmark Event**" means the occurrence of one or more of the following events:

(i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist;

(ii) a public statement by the administrator of the Original Reference Rate that it has ceased or will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate);

(iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued;

(iv) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months;

(v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative or will, by a specified date within the following six months, be deemed to be no longer representative; or

(vi) it has become unlawful for any Issuing and Paying Agent, the relevant Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur:

(1) in the case of paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be;

(2) in the case of paragraph (iv) above, on the date of the prohibition or restriction of use of the Original Reference Rate; and

(3) in the case of paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed to no longer be) representative and which is specified in the relevant public statement,

and, in each case, not on the date of the relevant public statement;

"**Benchmark Replacement**" means the Interpolated Benchmark, provided that if the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) cannot determine the Interpolated Benchmark by the relevant Interest Determination Date, then "**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be):

(i) Identified SORA;

(ii) the Successor Rate;

(iii) the ISDA Fallback Rate; and

(iv) the Alternative Rate;

"**Corresponding Tenor**" with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Original Reference Rate;

"**Identified SORA**" means the forward-looking term rate for the applicable Corresponding Tenor based on SORA that has been (i) selected or recommended by the Relevant Nominating Body, or (ii) determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(II)(b)(ii)(1)(F)(aa)) (as the case may be) having given due consideration to any industry-accepted market practice for the relevant Singapore dollar denominated notes;

"**Independent Adviser**" means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 5(II)(b)(ii)(1)(F)(aa));

"**Interpolated Benchmark**" with respect to the Original Reference Rate means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (i) the Original Reference Rate for the longest period (for which the Original Reference Rate is available) that is shorter than the Corresponding Tenor and (ii) the Original Reference Rate for the shortest period (for which the Original Reference Rate is available) that is longer than the Corresponding Tenor;

"**ISDA Definitions**" means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series) (as specified in the applicable Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or (if specified in the applicable Pricing Supplement) the 2021 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as may be updated, amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be positive or negative value or zero) that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the Original Reference Rate in the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Original Reference Rate**" means, initially, SORA (being the originally-specified benchmark rate used to determine the Rate of Interest (or any component part thereof) on the Notes), provided that if a Benchmark Event has occurred with respect to the then-current Original Reference Rate, then Original Reference Rate means the applicable Benchmark Replacement;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored or endorsed by, chaired or co-chaired by or constituted at the request of:

(1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;

(2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);

(3) a group of the aforementioned central banks or other supervisory authorities; or

(4) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement for the Original Reference Rate for the Corresponding Tenor.

(2) in the case of Floating Rate Notes which are not SORA Notes, the Calculation Agent will determine the Rate of Interest in respect of any Interest Period at or about the Relevant Time on the Interest Determination Date in respect of such Interest Period as follows:

(A) if the Primary Source for the Floating Rate Notes is a Screen Page (as defined below), subject as provided below, the Rate of Interest in respect of such Interest Period shall be:

(aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or

(bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Interest Determination Date,

and as adjusted by the Spread (if any);

(B) if the Primary Source for the Floating Rate Notes is Reference Banks or if paragraph (b)(ii)(2)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Interest Determination Date or if paragraph (b)(ii)(2)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Issuer (or

an Independent Adviser appointed by it) shall request each of the Reference Banks to provide the Issuer (or an Independent Adviser appointed by it) with its offered quotation (expressed as a percentage rate per annum) for the Relevant Rates at the Relevant Time on the Interest Determination Date in question. The Issuer shall notify such Relevant Rates of the Reference Banks to the Calculation Agent (on which the Calculation Agent shall be entitled to rely conclusively without further enquiry or any liability). The Rate of Interest shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Interest Determination Date and as adjusted by the Spread (if any);

(C) if paragraph (b)(ii)(2)(B) applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date; and

(D) if the relevant Calculation Agent is unable to determine the Rate of Interest for an Interest Period in accordance with paragraphs (b)(ii)(2)(A) to (b)(ii)(2)(C) above, the Rate of Interest for such Interest Period shall be the Rate of Interest in effect for the last preceding Interest Period to which paragraphs (b)(ii)(2)(A), (b)(ii)(2)(B) or (b)(ii)(2)(C) above should have applied.

(iii) On the last day of each Interest Period, (except as otherwise specified in the applicable Pricing Supplement) the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.

(iv) For the avoidance of doubt, in the event that the Rate of Interest as determined in accordance with the foregoing in relation to any Interest Period is less than zero (subject to any applicable Minimum Rate of Interest), the Rate of Interest in relation to such Interest Period shall be equal to zero.

(v) If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with Condition 5(II)(b) is less than such Minimum Rate of Interest, the rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

(vi) If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with Condition 5(II)(b) is more than such Maximum Rate of Interest, the rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(vii) The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

(c) **Rate of Interest – Variable Rate Notes**

(i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Agreed Yield**" and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Rate of Interest**".

(ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:

(1) not earlier than the 30th calendar day nor later than the day as specified in the relevant Pricing Supplement, (taking into account the requirements of the clearing systems, the Trustee and the Agents) prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:

(A) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;

(B) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and

(C) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an "**Agreed Rate**") and, in the event of the Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and

(2) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period prior to the commencement of such Interest Period in accordance with (1) above, or if there shall be no Relevant Dealer during the period for agreement referred to in (1) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.

(iii) The Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent pursuant to the Agency Agreement that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) (or such other day and/or time as the Issuer and the Relevant Dealer may agree) on the next following business day:

(1) notify the Issuing and Paying Agent and the Calculation Agent of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and

(2) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.

(iv) For the purposes of sub-paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the "**Fall Back Rate**") determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SORA (in which case such Variable Rate Note(s) will be SORA Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

Such rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Variable Rate Note. The "**Spread**" is the percentage rate per annum specified on the face of such Variable Rate Note as being applicable to the rate of interest for such Variable Rate Note. The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Calculation Agent in accordance with the provisions of Condition 5(II)(b)(ii) above (*mutatis mutandis*) and references therein to "**Rate of Interest**" shall mean "**Fall Back Rate**".

(v) If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

(vi) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

(d) **Definitions**

As used in these Conditions:

"**Benchmark**" means the rate specified as such in the applicable Pricing Supplement;

"**business day**" means, in respect of each Note, (i) a day (other than a Saturday, Sunday or gazetted public holiday) on which Euroclear, Clearstream, Luxembourg and CDP, as applicable, are operating, (ii) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent's specified office and (iii) (if a payment is to be made on that day) (1) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore, (2) (in the case of Notes denominated in Euro) a day (other than a Saturday, Sunday or gazetted public holiday) on which the TARGET System is open for settlement in Euro and (3) (in the case of Notes denominated in a currency other than Singapore dollars and Euro) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore and the principal financial centre for that currency;

"**Calculation Amount**" means the amount specified as such on the face of any Note, or, if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with Condition 5:

(i) if "Actual/Actual" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period divided by 365 (or, if any portion of that Fixed Rate Interest Period or, as the case may be, Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Fixed Rate Interest Period or, as the case may be, Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Fixed Rate Interest Period or, as the case may be, Interest Period falling in a non-leap year divided by 365);

(ii) if "Actual/360" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period in respect of which payment is being made divided by 360;

(iii) if "Actual/365 (Fixed)" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period in respect of which payment is being made divided by 365; and

(iv) if "30/360" is specified in the applicable Pricing Supplement, the number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

"**Euro**" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;

"**Independent Adviser**" means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 5(II)(b)(ii)(1)(F)(aa));

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

"**Interest Determination Date**" means, with respect to a Rate of Interest and an Interest Period, the date set out in the applicable Pricing Supplement or, if none is so specified and only if the Benchmark is SORA, has the meaning given to it in Condition 5(II)(b)(ii)(1)(A)(aa), 5(II)(b)(ii)(1)(A)(bb), 5(II)(b)(ii)(1)(A)(cc), 5(II)(b)(ii)(1)(A)(dd) or 5(II)(b)(ii)(1)(B) as applicable;

"Primary Source" means (i) the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Bloomberg agency or the Reuters Monitor Money Rates Service ("**Reuters**")) agreed to by the Calculation Agent or (ii) the Reference Banks, as the case may be;

"**Reference Banks**" means the institutions specified as such in the applicable Pricing Supplement or, if none, three major banks selected by the Issuer in the inter-bank market that is most closely connected with the Benchmark;

"**Relevant Currency**" means the currency in which the Notes are denominated;

"**Relevant Dealer**" means, in respect of any Variable Rate Note, the Dealer party to the Programme Agreement (as defined in the Trust Deed) referred to in the Agency Agreement with whom the Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Programme Agreement;

"**Relevant Financial Centre**" means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note or Variable Rate Note, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

"**Relevant Rate**" means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Interest Period;

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter-bank market in the Relevant Financial Centre;

"**Screen Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System or any successor thereto.

(III) **Interest on Hybrid Notes**

(a) **Interest Rate and Accrual**

Each Hybrid Note bears interest on its principal amount outstanding from the Interest Commencement Date in respect thereof and as shown on the face of such Note.

(b) **Fixed Rate Period**

(i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its principal amount outstanding from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on an Interest Payment Date.

(ii) The first payment of interest will be made on the Interest Payment Date next following the first day of the Fixed Rate Period (and if the first day of the Fixed Rate Period is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the last day of the Fixed Rate Period falls before the date on which the first payment of interest would otherwise be due. If the last day of the Fixed Rate Period is not an Interest Payment Date, interest from (and including) the preceding Interest Payment Date (or from (and including) the first day of the Fixed Rate Period, as the case may be) to (but excluding) the last day of the Fixed Rate Period will amount to the Final Broken Amount shown on the face of the Note.

(iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from (and including) the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal (or the Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) to (but excluding) the Relevant Date.

(iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon during the Fixed Rate Period.

(c) **Floating Rate Period**

(i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its principal amount outstanding from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"), unless Payment Delay is specified in the applicable Pricing Supplement for a SORA Note, in which case interest (save for interest in respect of the final Interest Period (as defined below), which will be payable in arrear on the final Interest Payment Date) will be payable in arrear on the last business day of the Delay Period as set out in the applicable Pricing Supplement following each Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the

"**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be).

If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified hereon is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

(ii) The period beginning on (and including) the first day of the Floating Rate Period and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "**Interest Period**".

(iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from (and including) the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) and the Agency Agreement to (but excluding) the Relevant Date.

(iv) The provisions of Condition 5(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

(IV) **Zero-Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero-Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note (determined in accordance with Condition 6(h)). As from the Maturity Date, the rate of interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 6(h)).

(V) **Calculations**

(a) **Determination of Rate of Interest and Calculation of Interest Amounts**

The Calculation Agent will, as soon as practicable after the Relevant Time on each Interest Determination Date, or such other time on such date as such Calculation Agent may be required to calculate any rate or amount, or make any determination or calculation, determine the Rate of Interest and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each Calculation Amount of the relevant Floating Rate Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period or calculate the Redemption Amount (if applicable) or Early Redemption Amount (if applicable) or make such determination or calculation, as the case may be. The amount of interest payable in respect of any Note shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the relevant currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(b) **Notification**

The Calculation Agent will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount (if applicable) to be notified to the Issuing and Paying Agent, the Trustee, the Issuer and (in the case of Floating Rate Notes) to be notified to Noteholders in accordance with Condition 16 as soon as possible after their determination but in no event later than the fourth business day thereafter. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period by reason of any Interest Payment Date not being a business day. If the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 10, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts need to be made unless the Trustee requires otherwise.

(c) **Failure to Determine or Calculate Rate of Interest**

If the Calculation Agent does not at any material time determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, it shall as soon as reasonably practicable notify the Trustee, the relevant Issuing and Paying Agent and the Issuer, and the Issuer shall endeavour to appoint an alternative Calculation Agent. In doing so, the alternative Calculation Agent shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. If the Issuer fails to so appoint, the Notes will, for the relevant Interest Period, bear interest at the rate in effect for the last preceding Interest Period to which Condition 5(II) and 5(III) above shall have applied and the Issuing and Paying Agent will determine the relevant Interest Amount.

(d) **Calculation Agent and Reference Banks**

The Issuer will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note (in each case, that is not a SORA Note) remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Note, Variable Rate Note, Hybrid Note or Zero-Coupon Note remains outstanding, there shall at all times be a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts, Redemption Amount (if applicable) or Early Redemption Amount (if applicable), the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Calculation Agent may not resign from its duties without a successor having been appointed as aforesaid.

6. REDEMPTION AND PURCHASE

(a) **Redemption at Maturity Date**

Unless previously redeemed or purchased and cancelled as provided below, this Note will be redeemed at its Redemption Amount on the Maturity Date shown on its face (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero-Coupon Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

So long as the Notes are listed on any stock exchange, the Issuer shall comply with the rules of such stock exchange in relation to the publication of any redemption of such Notes.

(b) **Redemption at the Option of Noteholders**

If so provided hereon, the Issuer shall, at the option of the holder of any Note, redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to (but excluding) the date fixed for redemption. To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent or the Issuer (as applicable) within the Noteholder's Redemption Option Period shown on the face hereof. Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(c) **Redemption at the Option of the Issuer**

If so provided hereon, the Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Notes at their Redemption Amount or integral multiples thereof, and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued to (but excluding) the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws. So long as the Notes are listed on any stock exchange, the Issuer shall (unless a waiver is obtained from such stock exchange) comply with the rules of such stock exchange in relation to the publication of any redemption of such Notes.

(d) **Purchase at the Option of the Issuer**

If so provided hereon, the Issuer shall have the option to purchase all or any of the Fixed Rate Notes, Floating Rate Notes, Variable Rate Notes or Hybrid Notes at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Noteholders shall be bound to sell such Notes to the Issuer accordingly. To exercise such option, the Issuer shall give irrevocable notice to the Noteholders within the Issuer's Purchase Option Period shown on the face hereof. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent or, as the case may be, the Registrar for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

In the case of a purchase of some only of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes to be purchased, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any stock exchange, the Issuer shall (unless a waiver is obtained from such stock exchange) comply with the rules of such stock exchange in relation to the publication of any purchase of such Notes.

(e) **Purchase at the Option of Noteholders**

(i) Each Noteholder shall have the option to have all or any of his Variable Rate Notes purchased by the Issuer at their Redemption Amount on any Interest Payment Date and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) such Variable Rate Notes to be purchased with the Issuing and Paying Agent at its specified office together with all Coupons relating to such Variable Rate Notes which mature after the date fixed for purchase and all unexchanged Talons, or (in the case of Registered Notes) the Certificate representing such Variable Rate Note(s) to be purchased with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes or Certificates representing Variable Rate Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Variable Rate Notes may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Variable Rate Note (together

with all unmatured Coupons and unexchanged Talons) to the Issuing and Paying Agent, and in the case of Registered Notes, by surrendering the Certificate representing such Variable Rate Notes to the Registrar. The Variable Rate Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

(ii) If so provided hereon, each Noteholder shall have the option to have all or any of his Fixed Rate Notes, Floating Rate Notes or Hybrid Notes purchased by the Issuer at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) such Note to be purchased (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) to be purchased with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' Purchase Option Period shown on the face hereof. Any Notes or Certificates so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Notes may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering such Note (together with all unmatured Coupons and unexchanged Talons) to the Issuing and Paying Agent, and in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

(f) **Redemption for Taxation Reasons**

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero-Coupon Notes) Early Redemption Amount (as determined in accordance with Condition 6(h)) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the relevant Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer taking reasonable measures available to it (which shall not require the Issuer to incur unreasonable costs), provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee and the Issuing and Paying Agent a certificate signed by the relevant authorised signatory(ies) of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts

showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal, tax or any other professional advisors of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change, amendment, interpretation or pronouncement.

(g) **Purchases**

The Issuer or any of its subsidiaries may at any time purchase Notes at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is in compliance with all relevant laws, regulations and directives.

Notes purchased by the Issuer or any of its subsidiaries may be surrendered by the purchaser to, in the case of Bearer Notes, the Issuing and Paying Agent and, in the case of Registered Notes, the Registrar for cancellation or may at the option of the Issuer or any of its subsidiaries (as the case may be) be held or resold at their absolute discretion.

For the purposes of these Conditions, "**directive**" includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(h) **Early Redemption of Zero-Coupon Notes**

(i) The Early Redemption Amount payable in respect of any Zero-Coupon Note, the Early Redemption Amount of which is not linked to an index and/or formula, upon redemption of such Note pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 10, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 5(IV).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(i) **Mandatory Redemption upon Termination of HBT**

In the event that HBT is or is to be terminated in accordance with the provisions of the HBT Trust Deed (as defined in the Trust Deed), the Issuer shall redeem all (and not some only) of the Notes at their Redemption Amount together with interest accrued to the date fixed for redemption on any date on which interest is due to be paid on such Notes or, if earlier, the date of termination of HBT.

The Issuer shall forthwith notify the Trustee, the Issuing and Paying Agent, the Registrar, the Transfer Agent, the Calculation Agent and the Noteholders of the termination of HBT and the proposed date of redemption of the Notes.

(j) **Redemption upon De-listing of HBT**

If on any date, (1) the units of HBT (as part of the stapled securities of CDL Hospitality Trusts or otherwise) cease to be listed and/or traded on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") or (2) trading in the units of HBT (as part of the stapled securities of CDL Hospitality Trusts or otherwise) on the SGX-ST is suspended for a continuous period exceeding 10 consecutive market days, the Issuer shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount, together with interest accrued to (but excluding) the date fixed for redemption, on the date (or, if such date is not a business day, on the immediately preceding business day) falling 30 days after the Effective Date (as defined below).

To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent at its specified office, or (in the case of Registered Notes) the Certificate representing such Notes with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, no later than the date falling 15 days after the Effective Date. The Issuer shall, within seven (7) days after the Effective Date give notice to the Trustee, the Issuing and Paying Agent and the Noteholders of the occurrence of the event specified in this Condition 6(j) (provided that any failure by the Issuer to give such notice shall not prejudice any exercise of such option).

The completed option exercise notice delivered by the Noteholder shall be irrevocable and any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

For the purposes of this Condition:

"**Effective Date**" means (in the case of (1) above) the date of cessation of listing and/or trading or (in the case of (2) above) the business day immediately following the expiry of such continuous period of 10 consecutive market days; and

"**market day**" means a day on which the SGX-ST is open for securities trading.

(k) **Redemption in the case of Minimum Outstanding Amount**

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount together with interest accrued to (but excluding) the date fixed for redemption if, immediately before giving such notice, the aggregate principal amount of the Notes outstanding is less than 20 per cent. of the aggregate principal amount originally issued.

(l) **Cancellation**

All Notes purchased by or on behalf of the Issuer and/or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar, and in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes or Certificates so surrendered for cancellation may not be reissued or resold.

7. PAYMENTS

(a) **Principal and Interest in respect of Bearer Notes**

Payments of principal (which shall include the Redemption Amount or Early Redemption Amount) and interest in respect of the Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be, at the specified office of the Issuing and Paying Agent by transfer to an account maintained by the holder in that currency with a bank in the principal financial centre for that currency.

(b) **Principal and Interest in respect of Registered Notes**

(i) Payments of principal in respect of Registered Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of the Transfer Agent or of the Registrar and in the manner provided in Condition 7(b)(ii).

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made by transfer to an account maintained by the holder in that currency with a bank in the principal financial centre for that currency.

(c) **Payments subject to law etc.**

Without prejudice to the provisions of Condition 8, all payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law, regulation or directive implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(d) **Appointment of Agents**

The Issuing and Paying Agent, Registrar, Transfer Agent and Calculation Agent initially appointed by the Issuer and their specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and the Paying Agent, Registrar, Transfer Agent and/or the Calculation Agent in accordance with the terms of the Agency Agreement and to appoint additional or other Agents, provided that

it will at all times maintain (i) an Issuing and Paying Agent, (ii) a Transfer Agent in relation to Registered Notes, (iii) a Registrar in relation to Registered Notes and (iv) a Calculation Agent where the Conditions so require. Any such appointment shall be binding on the Noteholders and Couponholders.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 16.

The Agency Agreement may be amended by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee, without the consent or sanction of any holder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein of a formal, minor or technical nature, to correct a manifest error or to comply with mandatory provisions of Singapore law or which is required by Euroclear and/or Clearstream, Luxembourg, CDP and/or any other clearing system in which the Notes may be held or in any manner which the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee may mutually deem necessary or desirable and which does not, in the reasonable opinion of the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee, adversely affect the interests of the holders. Such amendment shall be binding on the Noteholders and Couponholders.

(e) **Unmatured Coupons and Unexchanged Talons**

(i) Bearer Notes which comprise Fixed Rate Notes and Hybrid Notes should be surrendered for payment together with all unmatured Coupons and unexchanged Talons (if any) relating to such Notes (and, in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within the prescription period relating thereto under Condition 9.

(ii) Subject to the provisions of the relevant Pricing Supplement upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Variable Rate Note or Hybrid Note, unmatured Coupons relating to such Note (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Where any Bearer Note comprising a Floating Rate Note, Variable Rate Note or Hybrid Note is presented for redemption without all unmatured Coupons and unexchanged Talons (if any) relating to it (and, in the case of the Hybrid Note, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate.

(f) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(g) **Non-business days**

Subject as provided in the relevant Pricing Supplement and/or in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) **Default Interest**

If on or after the due date for payment of any sum in respect of the Notes or, as the case may be, the Coupons, payment of all or any part of such sum is not made against due presentation of the Notes or, as the case may be, the Coupons, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders, or, as the case may be, Couponholders (as well after as before judgment) at a rate per annum determined by the Issuing and Paying Agent to be equal to two (2) per cent. per annum above (in the case of a Fixed Rate Note or a Hybrid Note during the Fixed Rate Period) the Interest Rate applicable to such Note, (in the case of a Floating Rate Note or a Hybrid Note during the Floating Rate Period) the Rate of Interest applicable to such Note or (in the case of a Variable Rate Note) the variable rate by which the Agreed Yield applicable to such Note is determined or, as the case may be, the Rate of Interest applicable to such Note, or in the case of a Zero-Coupon Note, as provided for in the relevant Pricing Supplement. So long as the default continues then such rate shall be re-calculated on the same basis at intervals of such duration as the Issuing and Paying Agent may select, save that the amount of unpaid interest at the above rate accruing during the preceding such period shall be added to the amount in respect of which the Issuer is in default and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this paragraph shall be calculated on the Day Count Fraction specified hereon and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.

8. TAXATION

(a) **No deduction or withholding**

All payments in respect of the Notes and Coupons by or on behalf of the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such

withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

(i) by or on behalf of a holder who is subject to such Taxes by reason of his being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being (1) a resident in Singapore for tax purposes or (2) a non-resident of Singapore who has been granted an exemption by the Inland Revenue Authority of Singapore in respect of the requirement to withhold tax on payments made to it);

(ii) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or

(iii) by or on behalf of a holder who would be able to lawfully avoid (but has not so avoided) such deduction or withholding by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence but fails to do so.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any additional amount or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretation thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

(b) **Interpretation**

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Noteholders in accordance with Condition 16 that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts, Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6, "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 and any reference to "**principal**" and/or "**premium**" and/or "**Redemption Amounts**" and/or "**interest**" and/or "**Early Redemption Amounts**" shall be deemed to include any additional amounts which may be payable under these Conditions.

9. PRESCRIPTION

The Notes and Coupons shall become void unless presented for payment within three (3) years from the Relevant Date for payment.

10. EVENTS OF DEFAULT

If any of the following events ("**Events of Default**") occurs the Trustee at its discretion may (but it is not obliged to), and if so requested in writing by the holders of at least 30 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, in each case, subject to it being indemnified and/or secured and/or pre-funded to its satisfaction, give notice in writing to the Issuer that the Notes are immediately repayable, whereupon the Redemption Amount of such Notes or (in the case of Zero-Coupon Notes) the Early Redemption Amount of such Notes together with accrued interest to (but excluding) the date of payment shall immediately become due and payable:

(a) default being made by the Issuer for seven business days in the payment of the principal or interest due in respect of any of the Notes as and when the same ought to be paid in accordance with the Trust Deed or the terms and conditions of the Notes;

(b) the Issuer failing to perform or observe any of its obligations (other than the payment obligations referred to in Condition 10(a)) under the Trust Deed or the Notes and, if that default is capable of remedy, it is not remedied within 30 days after the date on which the notice in writing is given by the Trustee to the Issuer requiring the same to be remedied;

(c) (i) any indebtedness (other than in respect of the Notes) of the Issuer or any of the HBT Principal Subsidiaries in respect of borrowed money is or is declared (otherwise than by the Issuer or such HBT Principal Subsidiary) or becomes due and payable before its stated maturity (as extended by any grace period permitted under the agreements or other documents evidencing or constituting such indebtedness) by reason of any event of default thereunder or is not being repaid at its stated maturity (as extended by any grace period permitted under the agreements or other documents evidencing or constituting such indebtedness); or

(ii) the Issuer or any of the HBT Principal Subsidiaries fails to pay when properly called upon to do so any present or future guarantee of indebtedness for, or indemnity in respect of, any moneys borrowed or raised,

provided however that no Event of Default will occur under this paragraph (c), (A) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned above in this paragraph (c) has/have occurred equals or exceeds S$30,000,000 or its equivalent in other currency or currencies, or (B) where such event is by reason of the Issuer or such HBT Principal Subsidiary, as the case may be, in good faith contesting or disputing any liability under such indebtedness. For the avoidance of doubt, there shall be no double-counting in the calculation of the aggregate amount of indebtedness for the purposes of calculating the threshold referred to in this paragraph (c).

For the purposes of this paragraph (c), "**borrowed money**" means any indebtedness (I) for or in respect of money borrowed or raised (whether or not for cash), by whatever means (including acceptances, factoring, finance leases entered into primarily as a method of raising finance or of financing the acquisition of the asset leased, hire purchase, and any form of "off-balance sheet" financing which, in accordance with the Singapore Financial Reporting Standards, would be required to be disclosed or otherwise noted in the consolidated accounts of HBT and its subsidiaries) or (II) for the deferred purchase price of assets or services acquired (other than goods or services obtained on normal commercial terms in the ordinary course of business);

(d) (i) a resolution is passed or an order of court is made for the winding-up or (as the case may be) termination of the Issuer or any of the HBT Principal Subsidiaries; or

(ii) the Issuer or any of the HBT Principal Subsidiaries shall apply for the winding-up of the Issuer or any of the HBT Principal Subsidiaries or similar resolutions are passed or orders or applications are made,

in each case, otherwise than (A) for the purposes of an amalgamation, reorganisation, merger or reconstruction not involving insolvency where either (1) such event does not materially and adversely affect the ability of the Issuer to perform or observe its obligations under the Trust Deed or the Notes or (2) the terms whereof have previously been approved by an Extraordinary Resolution or by the Trustee (such approval not to be unreasonably withheld) or (B) in the case only of any HBT Principal Subsidiary, by way of a voluntary winding-up where the surplus assets are distributed to the Issuer and/or any HBT Principal Subsidiary;

(e) any resolution being passed or any application being made in relation to the Issuer or any of the HBT Principal Subsidiaries to apply for administration, judicial management or other similar order or an order being made by any competent court for such proceedings in relation to the Issuer or any of the HBT Principal Subsidiaries where, in the case only of any HBT Principal Subsidiary, such event adversely affects or would adversely affect the ability of the Issuer to perform or observe any of its obligations under the Trust Deed or the Notes;

(f) an encumbrancer taking possession or a receiver, trustee, administrator or judicial manager or other similar official being appointed in relation to the whole or any substantial part of the assets or undertaking of the Issuer or any of the HBT Principal Subsidiaries, in each case, where such event adversely affects or would adversely affect the ability of the Issuer to perform or observe any of its obligations under the Trust Deed or the Notes;

(g) a distress or execution or other legal process is levied or enforced upon or sued out against the whole or any substantial part of the properties, assets or revenue of the Issuer or any of the HBT Principal Subsidiaries and not being discharged within 30 days thereof, in each case, where such event adversely affects or would adversely affect the ability of the Issuer to perform or observe any of its obligations under the Trust Deed or the Notes;

(h) the Issuer or any of the HBT Principal Subsidiaries stopping payment or threatening to stop payment of its debts generally (other than those contested in good faith and by appropriate proceedings) or being unable to pay its debts as they fall due under the laws of its country of incorporation or admitting its inability to pay its debts or becoming bankrupt or insolvent, or applies for a moratorium in respect of or affecting all or a substantial part of its indebtedness or property, proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors generally or a moratorium is agreed, effected, declared or otherwise arises by operation of law in respect of or affecting all or a substantial part of the indebtedness or (pursuant to an order of court that is issued in connection with a compromise or an arrangement proposed or intended to be proposed between the Issuer or any of the HBT Principal Subsidiaries and their respective creditors) property of the Issuer or any of the HBT Principal Subsidiaries;

(i) the Issuer or HBT shall cease or threaten to cease to carry on its Authorised Business (as defined in the HBT Trust Deed);

(j) the whole or a substantial part of the undertaking or assets of the Issuer or any of the HBT Principal Subsidiaries being requisitioned, nationalised, sequestrated or compulsorily acquired by any competent authority where any such event has a material adverse effect on the financial position of the HBT and its subsidiaries taken as a whole;

(k) any of the Trust Deed, the Agency Agreement, the HBT Depository Agreement (as defined in the Trust Deed), the Deed of Covenant or the Notes ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer binding upon it in accordance with its terms;

(l) any event occurs which under the laws of any relevant jurisdiction has an analogous or equivalent effect to any of the events referred to in paragraphs (d), (e), (f), (g), (h), (i) or (j);

(m) (i) (1) the HBT Trustee-Manager (as defined in the Trust Deed) resigns or is removed, (2) an order is made for the winding-up of the HBT Trustee-Manager or a receiver, judicial manager, administrator, agent or similar officer of the HBT Trustee-Manager is appointed, or (3) there is a declaration, imposition or promulgation in Singapore or in any relevant jurisdiction of a moratorium, any form of exchange control or any law, directive or regulation of any agency or the amalgamation, reconstruction or reorganisation of the HBT Trustee-Manager which prevents or restricts the ability of the Issuer to perform its obligations under the Trust Deed; and

(ii) the replacement or substitute trustee-manager of HBT is not appointed in accordance with the terms of the HBT Trust Deed;

(n) it is or will become unlawful at any time for the Issuer to perform all or any of its payment or other material obligations under the Trust Deed or the Notes or the Coupons; and

(o) the Issuer or any of the HBT Principal Subsidiary is declared by the Minister of Finance to be a declared company under the provisions of Part 9 of the Companies Act 1967 of Singapore.

In these Conditions:

"**HBT Principal Subsidiary**" means, at any particular time, any subsidiary of HBT (whether through the Issuer as trustee-manager of HBT or otherwise) whose total assets, as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries unless such consolidated accounts of such subsidiary is not required to be prepared), based upon which the latest audited consolidated accounts of HBT and its subsidiaries have been prepared, are at least 25 per cent. of the total assets of HBT and its subsidiaries as shown by such audited consolidated accounts, provided that:

(aa) if a HBT Principal Subsidiary transfers or otherwise disposes of any part of its assets to another subsidiary of HBT or any other person, the total assets of such subsidiaries shall be calculated by reference to the then latest audited balance sheet of each of the transferor and transferee subsidiary (as the case may be) adjusted as appropriate with effect from the date of transfer to reflect the transfer of such assets after the end of the financial period to which the balance sheet relates; and

(bb) if any subsidiary acquires any assets, the total assets of such subsidiary shall be calculated by reference to its then latest audited balance sheet adjusted as appropriate with effect from the date of acquisition to reflect the acquisition of such assets after the end of the financial period to which the balance sheet relates; and

"**subsidiary**" has the meaning ascribed to it in the Trust Deed.

11. ENFORCEMENT

At any time after the Notes shall have become due and repayable, the Trustee may, but shall not be obliged to and without further notice, institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes, together with accrued interest, but it shall not be bound to take any such proceedings unless (a) it shall have been so requested in writing by the holders of not less than 30 per cent. in principal amount of the Notes outstanding or so directed by an Extraordinary Resolution and (b) it shall have been indemnified and/or secured and/or pre-funded by the Noteholders to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect is continuing.

12. MEETING OF NOTEHOLDERS AND MODIFICATIONS

The Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee (subject to it being indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, liabilities, costs claims and demands to which in its opinion it may render itself liable and all costs, charges, damages and expenses which it may incur by so doing) upon the request in writing by Noteholders holding not less than 10 per cent. in principal amount of the Notes of any Series for the time being outstanding shall, convene a meeting of the Noteholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates of interest or the basis for calculating any amount of interest in respect of the Notes, (iv) to vary the currency or currencies of payment or denomination of the Notes, (v) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (vii) to vary any method of, or basis for, calculating the Redemption Amount or the Early Redemption Amount including the method of calculating Amortised Face Amount, will only be binding if passed at a meeting of the Noteholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

Any application of a Successor Rate, Alternative Rate, an Adjustment Spread or any rate determined in accordance with Condition 5(II)(b)(ii)(1)(F), as the case may be, and any related Benchmark Amendments shall not constitute a matter which is required to be approved by an Extraordinary Resolution.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any provisions of the Trust Deed or any of the Transaction Documents which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with the mandatory provisions of Singapore law or is required by Euroclear and/or Clearstream, Luxembourg and/or CDP and/or any other clearing system in which the Notes may be held and (ii) any modification (except as mentioned in the Trust Deed) to the Trust Deed and any of the other Transaction Documents, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any of the other Transaction Documents, which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification, authorisation or waiver shall be notified to the Noteholders as soon as practicable.

In connection with the exercise of its functions (including, but not limited to those in relation to any proposed modification, waiver or authorisation), the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders. No Noteholder shall be entitled to claim from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders except to the extent already provided for in Condition 8.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

For the purpose of ascertaining the right to attend and vote at any meeting of the Noteholders convened for the purpose of and in relation to Clauses 9.1(b) and 25 of the Trust Deed, Schedule 11 to the Trust Deed and Conditions 10, 11 and 12 of the Notes, those Notes (if any) which are beneficially held by, or are held on behalf of the Issuer and any of its subsidiaries and not cancelled shall (unless and until ceasing to be so held) be disregarded when determining whether the requisite quorum of such meeting has been met and any votes cast or purported to be cast at such meeting in respect of such Notes shall be disregarded and be null and void.

13. REPLACEMENT OF NOTES, CERTIFICATES, COUPONS AND TALONS

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Issuing and Paying Agent or, as the case may be, Transfer Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to the Noteholders in accordance with Condition 16, on payment by the claimant of the costs, expenses and duties incurred in connection therewith and on such terms as to evidence, undertaking, security, indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate or Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note, Certificate, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

14. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes of any Series and so that the same shall be consolidated and form a single Series with such Notes, and references in these Conditions to "**Notes**" shall be construed accordingly.

15. PROVISIONS RELATING TO THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment and from taking action to convene meetings unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee or any corporation related to it (or any director, officer or employee of the Trustee or any company or person in any other way associated with the Trustee) is entitled, *inter alia*, to enter into transactions with the Issuer (or any of its related corporations) in the ordinary course of business or in connection with the Notes or the Coupons or the Talons or which it could have entered into had it not been a trustee of the Trust Deed, and to act as trustee of the holders of any other securities issued by the Issuer (or any of its related corporations), and to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Trust Deed also provides that the Trustee will not be liable to the Noteholders and/or Couponholders for, *inter alia*, any action taken or omitted by it except where the Trustee's gross negligence, wilful default or fraud was the direct cause of any loss to the Noteholders, and that each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and the Trustee shall not at any time have any responsibility for the same and each Noteholder shall not rely on the Trustee in respect thereof.

16. NOTICES

Notices to the holders of Registered Notes shall be valid if mailed to them at their respective addresses in the Register and shall be deemed to have been given two days after the date of mailing. Notwithstanding the foregoing, notices to the holders of the Notes shall be valid if (a) published in a daily newspaper of general circulation in Singapore (it is expected that such publication will be made in The Business Times) or (b) an announcement is made through the internet-based submission system operated by the SGX-ST. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper or internet-based submission system as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition 16. Notices to the holders of Notes shall be in English language.

So long as the Notes are represented by a Global Security or Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg, CDP, or any other clearing system, there may be substituted for such publication in such newspapers, delivery to Noteholders or announcement through the internet-based submission system operated by the SGX-ST, the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg, (subject to the agreement of CDP) CDP or, as the case may be, such other clearing system, for communication by it to the Noteholders, except that if the Notes are listed on the SGX-ST and the rules of such exchange so require

or permit, notice will (unless waived by such exchange) in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or CDP.

Notices to be given by any Noteholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relevant Note or Notes, with the Issuing and Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Certificates). Whilst the Notes are represented by a Global Security or a Global Certificate, such notice may be given by any Noteholder to the Issuing and Paying Agent or, as the case may be, the Registrar through Euroclear, Clearstream, Luxembourg and/or CDP in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar and Euroclear, Clearstream, Luxembourg and/or CDP may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identities and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given two days from the date of despatch to the Noteholders.

17. GOVERNING LAW

(a) Governing Law

The Trust Deed, the Notes, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of Singapore.

(b) Jurisdiction

The courts of Singapore are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, any Notes, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, Notes, Coupons or Talons may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 2001 OF SINGAPORE

No person shall have any right under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce or enjoy the benefit of any term or condition of this Note.

19. LIMITATION OF LIABILITY OF THE HBT TRUSTEE-MANAGER

(a) Notwithstanding any provision to the contrary in the Trust Deed, the Notes or the Coupons, the Trustee, the Noteholders and the Couponholders agree and acknowledge that M&C Business Trust Management Limited has entered into the Trust Deed only in its capacity as trustee-manager of HBT and not in its personal capacity and all references to (i) the "HBT Trustee-Manager" or the "Issuer" shall be construed accordingly. As such, notwithstanding any provision to the contrary in the Trust Deed, the Notes or the Coupons, M&C Business Trust Management Limited has assumed all obligations under the Trust Deed, the Notes or the Coupons solely in its capacity as trustee-manager of HBT and not in its personal capacity and any liability of or indemnity, covenant, undertaking, representation and/or warranty given or to be given by the HBT Trustee-Manager under the Trust Deed, the Notes or the Coupons is given by M&C Business Trust Management Limited in its capacity as trustee-manager of HBT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent and/or delegate is limited to the assets of HBT over which M&C Business Trust

Management Limited in its capacity as trustee-manager of HBT has recourse and shall not extend to any personal assets of M&C Business Trust Management Limited or any assets held by M&C Business Trust Management Limited in its capacity as trustee-manager of any other trust. Any obligation, matter, act, action or thing required to be done, performed or undertaken by the HBT Trustee-Manager under the Trust Deed, the Notes or the Coupons shall only be in connection with matters relating to HBT (and shall not extend to the obligations of M&C Business Trust Management Limited in respect of any other trust or business trust of which it is trustee-manager). The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Noteholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the HBT Trustee-Manager.

(b) Notwithstanding any provision to the contrary in the Trust Deed, the Notes and the Coupons, it is hereby acknowledged and agreed that the HBT Trustee-Manager's obligations under the Trust Deed, the Notes and the Coupons will be solely the corporate obligations of M&C Business Trust Management Limited in its capacity as trustee-manager of HBT and there shall be no recourse against the shareholders, directors, officers or employees of M&C Business Trust Management Limited for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of the Trust Deed, the Notes or the Coupons. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Noteholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the HBT Trustee-Manager.

(c) For the avoidance of doubt, any legal action or proceedings commenced against the HBT Trustee-Manager whether in Singapore or elsewhere pursuant to the Trust Deed, the Notes and the Coupons shall be brought against M&C Business Trust Management Limited only in its capacity as trustee-manager for HBT and not in its personal capacity. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Noteholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the HBT Trustee-Manager.

(d) This Condition 19 shall survive the termination or rescission of the Trust Deed, the Notes, the Coupons or the Talons.

(e) The provisions of this Condition 19 shall apply, *mutatis mutandis*, to any notices, certificates or other documents which the HBT Trustee-Manager issues under or pursuant to the Notes and any documents in connection therewith as if expressly set out in such notice, certificate or document.

TERMS AND CONDITIONS OF THE H-REIT PERPETUAL SECURITIES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Perpetual Securities in definitive form (if any) issued in exchange for the Global Security(ies) or the Global Certificate(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the relevant Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Perpetual Securities. Unless otherwise stated, all capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on such Bearer Perpetual Securities or on Certificates relating to such Registered Perpetual Securities. References in the Conditions to "Perpetual Securities" are to the Perpetual Securities of one Series only, not to all Perpetual Securities that may be issued under the Programme. Details of the relevant Series will be shown on the face of the relevant Perpetual Securities and in the relevant Pricing Supplement.

The Perpetual Securities are constituted by a trust deed dated 5 November 2025 made between (1) DBS Trustee Limited (in its capacity as trustee of CDL Hospitality Real Estate Investment Trust ("**H-REIT**")) (the "**Issuer**") and M&C Business Trust Management Limited (in its capacity as trustee-manager of CDL Hospitality Business Trust), as issuers, and (2) The Bank of New York Mellon, Singapore Branch (the "**Trustee**", which expression shall wherever the context so admits include all persons for the time being the trustee or trustees of the Trust Deed (as defined below)), as trustee of the Perpetual Securityholders (as defined below), and as amended, restated or supplemented from time to time (the "**Trust Deed**"), and (where applicable) the Perpetual Securities are issued with the benefit of a deed of covenant dated 5 November 2025 executed by the Issuer, relating to Perpetual Securities cleared through the CDP System (as defined in the Trust Deed) ("**CDP Perpetual Securities**") issued by the Issuer (the "**Deed of Covenant**"). These terms and conditions (the "**Conditions**") are subject to the detailed provisions of the Trust Deed. The Issuer has entered into an agency agreement dated 5 November 2025 (as amended, restated or supplemented from time to time, the "**Agency Agreement**") made between (1) the Issuer and M&C Business Trust Management Limited (in its capacity as trustee-manager of CDL Hospitality Business Trust), as issuers, (2) The Bank of New York Mellon, Singapore Branch, as issuing and paying agent in respect of CDP Perpetual Securities (in such capacity, the "**CDP Issuing and Paying Agent**"), transfer agent in respect of CDP Perpetual Securities (in such capacity, the "**CDP Transfer Agent**"), registrar in respect of CDP Perpetual Securities (in such capacity, the "**CDP Registrar**") and (where appointed as contemplated therein) calculation agent in respect of CDP Perpetual Securities that may be appointed under the Agency Agreement or (as the case may be) the calculation agency agreement (the "**Calculation Agency Agreement**") made between the Issuer, the Trustee and the relevant calculation agent (the "**CDP Calculation Agent**"), (3) The Bank of New York Mellon, London Branch, as issuing and paying agent in respect of Perpetual Securities that are cleared through a clearing system other than the CDP System ("**Non-CDP Perpetual Securities**") (in such capacity, the "**Non-CDP Issuing and Paying Agent**" and, together with the CDP Issuing and Paying Agent, the "**Issuing and Paying Agents**" and, each an "**Issuing and Paying Agent**"), and (where appointed as contemplated therein) calculation agent in respect of Non-CDP Perpetual Securities (in such capacity and, together with any other calculation agent that may be appointed in respect of Non-CDP Perpetual Securities under the Agency Agreement or (as the case may be) the Calculation Agency Agreement, the "**Non-CDP Calculation Agent**" and, together with the CDP Calculation Agent, the "**Calculation Agents**", and each a "**Calculation Agent**"), (4) The Bank of New York Mellon SA/NV, Dublin Branch, as transfer agent in respect of Non-CDP Perpetual Securities (in such capacity, the "**Non-CDP Transfer Agent**" and, together with the CDP Transfer Agent, the "**Transfer Agents**" and, each a "**Transfer Agent**"), and registrar in respect of Non-CDP Perpetual Securities (in such capacity, the "**Non-CDP Registrar**" and, together with the CDP Registrar, the "**Registrars**", and each a "**Registrar**"), and (5) the Trustee, as trustee.

The Perpetual Securityholders and the holders (the "**Couponholders**") of distribution coupons (the "**Coupons**") appertaining to the Perpetual Securities in bearer form and, where applicable in the case of such Perpetual Securities, talons for further Coupons (the "**Talons**") are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant.

For the purposes of these Conditions, all references to (a) the Issuing and Paying Agent shall, in the case of a Series of CDP Perpetual Securities, be deemed to be a reference to the CDP Issuing and Paying Agent, and in the case of a Series of Non-CDP Perpetual Securities, be deemed to be a reference to the Non-CDP Issuing and Paying Agent, (b) the Registrar shall, in the case of a Series of CDP Perpetual Securities, be deemed to be a reference to the CDP Registrar and, in the case of a Series of Non-CDP Perpetual Securities, be deemed to be a reference to the Non-CDP Registrar, (c) the Transfer Agent shall in the case of a Series of CDP Perpetual Securities, be deemed to be a reference to the CDP Transfer Agent and, in the case of a Series of Non-CDP Perpetual Securities, be deemed to be a reference to the Non-CDP Transfer Agent, and (d) the Calculation Agent shall, in the case of a Series of CDP Perpetual Securities, be deemed to be a reference to the CDP Calculation Agent and, in the case of a Series of Non-CDP Perpetual Securities, be deemed to be a reference to the Non-CDP Calculation Agent, and (unless the context otherwise requires) all such references shall be construed accordingly.

Copies of the Trust Deed, the Agency Agreement, the Deed of Covenant and (if applicable) the Calculation Agency Agreement are available for inspection at the specified office of the Trustee for the time being and at the respective specified offices of the Issuing and Paying Agents for the time being during usual business hours, upon prior written request and satisfactory proof of holdings.

1. FORM, DENOMINATION AND TITLE

(a) Form and Denomination

(i) The Perpetual Securities of the Series of which this Perpetual Security forms part (in these Conditions, the "**Perpetual Securities**") are issued in bearer form (the "**Bearer Perpetual Securities**") or in registered form (the "**Registered Perpetual Securities**"), and in each case in the Denomination Amount shown in the relevant Pricing Supplement. Subject to applicable laws, in the case of Registered Perpetual Securities, such Perpetual Securities are in the Denomination Amount shown in the relevant Pricing Supplement, which may include a minimum denomination and higher integral multiples of a smaller amount, in each case, as specified in the applicable Pricing Supplement.

(ii) This Perpetual Security is a Fixed Rate Perpetual Security or a Floating Rate Perpetual Security (depending upon the Distribution Basis shown on its face).

(iii) Bearer Perpetual Securities are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached.

(iv) Registered Perpetual Securities are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Perpetual Securities by the same holder.

(b) Title

(i) Subject as set out below, title to the Bearer Perpetual Securities and the Coupons and, where applicable, Talons appertaining thereto shall pass by delivery. Title to the Registered Perpetual Securities shall pass by registration in the register that

the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**").

(ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Perpetual Security, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Perpetual Security, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Perpetual Security, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft, loss or forgery thereof, trust, interest therein, or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

(iii) For so long as any of the Perpetual Securities is represented by a Global Security (as defined below) or, as the case may be, a Global Certificate (as defined below) and such Global Security or Global Certificate is held by The Central Depository (Pte) Limited ("**CDP**"), each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of such Perpetual Securities (in which regard any certificate or other document issued by CDP as to the principal amount of such Perpetual Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, all other agents of the Issuer and the Trustee as the holder of such principal amount of Perpetual Securities other than with respect to the payment of principal, premium, distribution, redemption, purchase and/or any other amounts in respect of the Perpetual Securities, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, all other agents of the Issuer and the Trustee as the holder of such Perpetual Securities in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions "**Perpetual Securityholder**" and "**holder of Perpetual Securities**" and related expressions, where the context requires, shall be construed accordingly). Perpetual Securities which are represented by the Global Security or, as the case may be, the Global Certificate and held by CDP will be transferable only in accordance with the rules and procedures for the time being of CDP. For so long as any of the Perpetual Securities is represented by a Global Security or, as the case may be, a Global Certificate and such Global Security or, as the case may be, such Global Certificate is held by CDP, the record date for the purposes of determining entitlements to any payment of principal, distribution and any other amounts in respect of the Perpetual Securities shall, unless otherwise specified by the Issuer, be the date falling five Business Days prior to the relevant payment date (or such other date as may be prescribed by CDP from time to time).

(iv) For so long as any of the Perpetual Securities is represented by a Global Security or, as the case may be, a Global Certificate and such Global Security or Global Certificate is held by a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and/or any other clearing system (other than CDP), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or any such other clearing system (other than CDP) as the holder of a particular principal amount of such Perpetual Securities (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or any other clearing system (other than CDP) as to the principal amount of such Perpetual Securities (as the case may be) standing to the account of any person shall be

conclusive and binding for all purposes, save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, and all other agents of the Issuer and the Trustee as the holder of such principal amount of such Perpetual Securities other than with respect to the payment of principal, premium, distribution, redemption, purchase and/or any other amounts in respect of such Perpetual Securities, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, and all other agents of the Issuer and the Trustee as the holder of such Perpetual Securities in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions "**Perpetual Securityholder**" and "**holder of Perpetual Securities**" and related expressions, where the context requires, shall be construed accordingly). Perpetual Securities which are represented by a Global Security or, as the case may be, a Global Certificate and held by a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other clearing system (other than CDP) will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg, or such other clearing system (other than CDP).

(v) In these Conditions, "**Global Security**" means the relevant Temporary Global Security representing each Series or the relevant Permanent Global Security representing each Series, "**Global Certificate**" means the relevant Global Certificate representing each Series that is registered in the name of, or in the name of a nominee of, (1) CDP, (2) a common depositary for Euroclear and/or Clearstream, Luxembourg and/or (3) any other clearing system, "**Perpetual Securityholder**" means the bearer of any Bearer Perpetual Security or the person in whose name a Registered Perpetual Security is registered (as the case may be) and "**holder**" (in relation to a Perpetual Security, Coupon or Talon) means the bearer of any Bearer Perpetual Security, Coupon or Talon or the person in whose name a Registered Perpetual Security is registered (as the case may be), "**Series**" means a Tranche, together with any further Tranche or Tranches, which are (1) expressed to be consolidated and forming a single series and (2) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of distribution and "**Tranche**" means Perpetual Securities which are identical in all respects (including as to listing).

(vi) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. NO EXCHANGE OF PERPETUAL SECURITIES AND TRANSFER OF REGISTERED PERPETUAL SECURITIES

(a) No Exchange of Perpetual Securities

Registered Perpetual Securities may not be exchanged for Bearer Perpetual Securities. Bearer Perpetual Securities of one Denomination Amount may not be exchanged for Bearer Perpetual Securities of another Denomination Amount. Bearer Perpetual Securities may not be exchanged for Registered Perpetual Securities.

(b) Transfer of Registered Perpetual Securities

Subject to Conditions 2(e) and 2(f) below, one or more Registered Perpetual Securities may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Perpetual Securities to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Perpetual Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Registered Perpetual Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Registered Perpetual Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar and the Trustee and (in the case of any change proposed by the Registrar) with the prior written approval of the Issuer and the Trustee. A copy of the current regulations will be made available by the Registrar, at the expense of the Issuer, to any Perpetual Securityholder upon request.

(c) Exercise of Options or Partial Redemption or Purchase in Respect of Registered Perpetual Securities

In the case of an exercise of an Issuer's option in respect of, or a partial redemption or purchase of, a holding of Registered Perpetual Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed or purchased. In the case of a partial exercise of an option resulting in Registered Perpetual Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Perpetual Securities of that holding that have the same terms. New Certificates shall only be issued against the surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Perpetual Securities to a person who is already a holder of Registered Perpetual Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates

Each new Certificate to be issued pursuant to Condition 2(b) or 2(c) shall be available for delivery within seven (7) business days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "business day" means a day (other than a Saturday, Sunday or gazetted public holiday) on which banks are open for business in the place of the specified office of the Registrar or the Transfer Agent (as the case may be).

(e) Transfers Free of Charge

Transfers of Perpetual Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment by the holder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the Transfer Agent may require) in respect of tax or charges.

(f) Closed Periods

No Perpetual Securityholder may require the transfer of a Registered Perpetual Security to be registered (i) during the period of fifteen (15) days prior to any date on which Perpetual Securities may be called for redemption by the Issuer at its option pursuant to Condition 5, (ii) after any such Perpetual Security has been called for redemption or (iii) during the period of seven (7) days ending on (and including) any Record Date (as defined in Condition 6(b)(ii)).

3. STATUS

(a) Senior Perpetual Securities

This Condition 3(a) applies to Perpetual Securities that are Senior Perpetual Securities (being the Perpetual Securities that specify their status as senior in the applicable Pricing Supplement). The Senior Perpetual Securities and Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

(b) Subordinated Perpetual Securities

This Condition 3(b) applies to Perpetual Securities that are Subordinated Perpetual Securities (being the Perpetual Securities that specify their status as subordinated in the applicable Pricing Supplement).

(i) Status of Subordinated Perpetual Securities

The Subordinated Perpetual Securities and Coupons relating to them constitute direct, unconditional, subordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of the Issuer. The rights and claims of the Perpetual Securityholders and Couponholders in respect of the Subordinated Perpetual Securities are subordinated as provided in this Condition 3(b).

In these Conditions, "**Parity Obligation**" means any instrument or security (including without limitation any preferred units) issued, entered into or guaranteed by the Issuer (1) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with a H-REIT Notional Preferred Unit (as defined below) and (2) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Issuer and/or, in the case of an instrument or security guaranteed by the Issuer, the issuer thereof or as otherwise specified in the applicable Pricing Supplement.

(ii) Ranking of claims on Winding-Up

Subject to the insolvency laws of Singapore and other applicable laws, in the event of the final and effective Winding-Up of H-REIT, there shall be payable by the Issuer in respect of each Subordinated Perpetual Security (in lieu of any other payment by the Issuer), such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the Winding-Up of H-REIT, and thereafter, such Perpetual Securityholder were the holder of one of a class of preferred units in the capital of H-REIT (and if more than one class of preferred units is outstanding, the most junior ranking class of such preferred units) (the "**H-REIT Notional Preferred Units**") having an equal right to return of assets in the Winding-Up of H-REIT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the Winding-Up of H-REIT, and so rank ahead of, the holders of Junior Obligations of the Issuer, but junior to the claims of all other present and future creditors of the Issuer (other than Parity Obligations of the Issuer), on the assumption that the amount that such Perpetual Securityholder was entitled to receive in respect of each H-REIT Notional Preferred Unit on a return of assets in such Winding-Up of H-REIT were an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Subordinated Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions (as defined in Condition 4(IV)(c)) in respect of which the Issuer has given notice to the holders of Subordinated Perpetual Securities in accordance with these Conditions. For the purposes of these Conditions, "**Winding-Up**" means bankruptcy, termination, winding-up, liquidation, judicial management, receivership or similar proceedings in respect of H-REIT.

(iii) No set-off

Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding, counterclaim, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding, counterclaim, compensation or retention against the Issuer. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or any Coupons relating to them is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of the Winding-Up of H-REIT, the liquidator or, as appropriate, administrator of H-REIT) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of H-REIT) and accordingly any such discharge shall be deemed not to have taken place.

4. DISTRIBUTION AND OTHER CALCULATIONS

(I) DISTRIBUTION ON FIXED RATE PERPETUAL SECURITIES

(a) Distribution Payment Date

Each Fixed Rate Perpetual Security confers a right to receive distribution on its principal amount outstanding from (and including) the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security at the rate per annum (expressed as a percentage) equal to the Distribution Rate shown on the face of such Perpetual Security payable in arrear on each Distribution Payment Date or Distribution Payment Dates shown on the face of such Perpetual Security in each year.

The first payment of distribution will be made on the Distribution Payment Date next following the Distribution Commencement Date (and if the Distribution Commencement Date is not a Distribution Payment Date, will amount to the Initial Broken Amount shown on the face of such Perpetual Security).

Distribution will cease to accrue on each Fixed Rate Perpetual Security from (and including) the due date for redemption thereof unless, upon due presentation thereof and subject to the provisions of the Trust Deed, payment of the Redemption Amount shown on the face of the Perpetual Security is improperly withheld or refused, in which event distribution at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(I) to (but excluding) the Relevant Date (as defined in Condition 7).

(b) Distribution Rate

The Distribution Rate applicable to each Fixed Rate Perpetual Security shall be:

(i) (if no Reset Date is specified in the applicable Pricing Supplement),

(1) if no Step-Up Margin is specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security; or

(2) if a Step-Up Margin is specified in the applicable Pricing Supplement, (A) for the period from (and including) the Distribution Commencement Date to (but excluding) the Step-Up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (B) for the period from (and including) the Step-Up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security plus the Step-Up Margin (as specified in the applicable Pricing Supplement); and

(ii) (if a Reset Date is specified in the applicable Pricing Supplement), (1) for the period from (and including) the Distribution Commencement Date to (but excluding) the First Reset Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (2) for the period from (and including) the First Reset Date and each Reset Date (as specified in the applicable Pricing Supplement) falling thereafter to (but excluding) the immediately following Reset Date, the Reset Distribution Rate,

provided always that if Redemption upon Cessation or Suspension of Trading Event (as defined in Condition 5(i)) is specified in the relevant Pricing Supplement and a Cessation or Suspension of Trading Event Margin is specified in the applicable Pricing Supplement, in the event that a Cessation or Suspension of Trading Event has

occurred, so long as the Issuer has not already redeemed the Perpetual Securities in accordance with Condition 5(i), the then prevailing Distribution Rate shall be increased by the Cessation or Suspension of Trading Event Margin with effect from (and including) the Distribution Payment Date immediately following the date on which the Cessation or Suspension of Trading Event occurred (or, if the Cessation or Suspension of Trading Event occurs on or after the date which is two business days prior to the immediately following Distribution Payment Date, the next following Distribution Payment Date).

For the purposes of this Condition:

"**Reset Determination Date**" means the second business day prior to the relevant Reset Date as specified in the applicable Pricing Supplement.

"**Reset Distribution Rate**" means the SORA OIS Rate or such other Relevant Rate (as specified in the applicable Pricing Supplement) with respect to the relevant Reset Date plus the Initial Spread (as specified in the applicable Pricing Supplement) plus the Step-Up Margin (if applicable, as specified in the applicable Pricing Supplement).

"**SORA OIS Rate**" means (A) the SORA-OIS reference rate for a period equal to the duration of the Reset Period specified in the applicable Pricing Supplement available on the "OTC SGD OIS" page on Bloomberg under "BGN" appearing under the column headed "Ask" (or such other substitute page thereof or if there is no substitute page, the screen page which is the generally accepted page used by market participants at that time as determined by an independent financial institution (which is appointed by the Issuer and notified to the Calculation Agent)) at the close of business on the Reset Determination Date, or (B) if a Benchmark Event has occurred in relation to the SORA OIS Rate, such rate as determined in accordance with Condition 4(II)(b)(ii)(1)(F).

(c) Calculation of Reset Distribution Rate

The Calculation Agent will, on the Reset Determination Date, determine the applicable Reset Distribution Rate payable in respect of each Perpetual Security. The Calculation Agent will cause the applicable Reset Distribution Rate determined by it to be notified to the Issuing and Paying Agent, the Registrar, the Trustee and the Issuer as soon as possible after its determination but in no event later than the fourth business day thereafter. All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Issuing and Paying Agent, the Registrar, the Transfer Agent and the Perpetual Securityholders and (except as provided in the Agency Agreement) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(d) Publication of Relevant Reset Distribution Rate

The Issuer shall cause notice of the then applicable Reset Distribution Rate to be notified to the Perpetual Securityholders in accordance with Condition 14 as soon as possible after determination thereof.

(e) Failure to Determine or Calculate Reset Distribution Rate

If the Calculation Agent does not at any material time determine or calculate the applicable Reset Distribution Rate, it shall as soon as reasonably practicable notify the Trustee, the relevant Issuing and Paying Agent, and the Issuer, and the Issuer shall endeavour to appoint an alternative Calculation Agent. In doing so, the alternative

Calculation Agent shall apply the foregoing provisions of this Condition 4(I), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. If the Issuer fails to so appoint, the Perpetual Securities will, for the relevant Reset Period (as specified in the applicable Pricing Supplement), accrue distribution at the rate in effect for the last preceding Reset Period to which Condition 4(I)(b) above shall have applied and the Issuing and Paying Agent will determine the relevant Distribution Amount.

(f) Calculations

In the case of a Fixed Rate Perpetual Security, distribution in respect of a period of less than one year will be calculated on the Day Count Fraction shown on the face of the Perpetual Security. The amount of distribution payable per Calculation Amount for any Fixed Rate Distribution Period (as defined below) in respect of any Fixed Rate Perpetual Security shall be calculated by multiplying the product of the applicable Distribution Rate and the Calculation Amount, by the Day Count Fraction shown on the face of the Fixed Rate Perpetual Security and rounding the resultant figure to the nearest sub-unit of the Relevant Currency.

"**Fixed Rate Distribution Period**" means the period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Payment Date and each successive period beginning on (and including) a Distribution Payment Date and ending on (but excluding) the next succeeding Distribution Payment Date.

(II) DISTRIBUTION ON FLOATING RATE PERPETUAL SECURITIES

(a) Distribution Payment Dates

Each Floating Rate Perpetual Security confers a right to receive distribution on its principal amount outstanding from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security, and such distribution will be payable in arrear on each distribution payment date ("**Distribution Payment Date**"), unless Payment Delay is specified in the applicable Pricing Supplement for a SORA Perpetual Security, in which case distribution (save for distribution in respect of the final Distribution Period (as defined below) which will be payable in arrear on the final Distribution Payment Date) will be payable in arrear on the last business day of the Delay Period as set out in the applicable Pricing Supplement following each Distribution Payment Date. Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Date(s) or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Distribution Period (as defined below) on the face of the Perpetual Security (the "**Specified Number of Months**") after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date (and which corresponds numerically with such preceding Distribution Payment Date or the Distribution Commencement Date, as the case may be).

If any Distribution Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the

immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Payment Date and each successive period beginning on (and including) a Distribution Payment Date and ending on (but excluding) the next succeeding Distribution Payment Date is herein called a "**Distribution Period**".

Distribution will cease to accrue on each Floating Rate Perpetual Security from (and including) the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event distribution will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(II) to (but excluding) the Relevant Date.

(b) Rate of Distribution – Floating Rate Perpetual Securities

(i) Each Floating Rate Perpetual Security confers a right to receive distribution on its principal amount outstanding at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Perpetual Security, being (in the case of Perpetual Securities which are denominated in Singapore dollars) SORA (in which case such Perpetual Security will be a "**SORA Perpetual Security**"), or in any other case such other Benchmark as is set out on the face of such Perpetual Security.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Perpetual Security. The "**Spread**" is the percentage rate per annum specified on the face of such Perpetual Security as being applicable to the rate of distribution for such Perpetual Security. The rate of distribution so calculated shall be subject to Condition 4(III)(a) below.

The rate of distribution payable in respect of a Floating Rate Perpetual Security from time to time is referred to in these Conditions as the "**Rate of Distribution**".

(ii) The Rate of Distribution payable from time to time in respect of each Floating Rate Perpetual Security will be determined by the Calculation Agent on the basis of the following provisions:

(1) in the case of Floating Rate Perpetual Securities which are SORA Perpetual Securities, the Rate of Distribution for each Distribution Period will, subject as provided below, be equal to the relevant SORA Benchmark (as defined in this Condition 4(II)(b)(ii)(1)) plus or minus the Spread (if any), the Step-Up Margin (if applicable, as specified in the applicable Pricing Supplement) and the Cessation or Suspension of Trading Event Margin (if applicable, as specified in the applicable Pricing Supplement).

The "**SORA Benchmark**" will be determined based on Compounded Daily SORA or SORA Index Average, as follows:

(A) if Compounded Daily SORA ("**Compounded Daily SORA**") is specified in the applicable Pricing Supplement, the SORA Benchmark for each Distribution Period shall be determined based on Compounded Daily SORA which shall be calculated by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the relevant Distribution Determination Date in accordance with one of the formulas referenced below depending upon which Observation Method is specified in the applicable Pricing Supplement:

(aa) where "Lockout" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to a Distribution Period, the rate of return of a daily compound interest investment during such Distribution Period (with the reference rate for the calculation of Distribution being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Distribution Period;

"$\mathbf{d_o}$", for any Distribution Period, is the number of Singapore Business Days in the relevant Distribution Period;

"**Distribution Determination Date**" means the Singapore Business Day immediately following the Rate Cut-off Date, unless otherwise specified in the applicable Pricing Supplement;

"***i***", for the relevant Distribution Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Distribution Period to the last Singapore Business Day in such Distribution Period;

"$\mathbf{n_i}$", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Rate Cut-Off Date**" means, with respect to a Rate of Distribution and Distribution Period, the date falling "*p*" Singapore Business Days prior to the Distribution Payment Date in respect of the relevant Distribution Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*";

"**SORA$_i$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Distribution Period:

I. if such Singapore Business Day is a SORA Reset Date, the reference rate equal to SORA in respect of that Singapore Business Day; and

II. if such Singapore Business Day is not a SORA Reset Date (being a Singapore Business Day falling in the Suspension Period), the reference rate equal to SORA in respect of the first Singapore Business Day falling in the Suspension Period (the "**Suspension Period SORA$_i$**") (such first day of the Suspension Period coinciding with the Rate Cut-Off Date). For the avoidance of doubt, the Suspension Period SORA$_i$ shall apply to each day falling in the relevant Suspension Period;

"**SORA Reset Date**" means, in relation to any Distribution Period, each Singapore Business Day during such Distribution Period, other than any Singapore Business Day falling in the Suspension Period corresponding with such Distribution Period; and

"**Suspension Period**" means, in relation to any Distribution Period, the period from (and including) the date falling "*p*" Singapore Business Days prior to the Distribution Payment Date in respect of the relevant Distribution Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable) or such other date specified in the applicable Pricing Supplement (such Singapore

Business Day coinciding with the Rate Cut-Off Date) to (but excluding) the Distribution Payment Date of such Distribution Period (or such earlier date, if any, on which the SORA Perpetual Securities become due and payable).

(bb) where "Lookback" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to a Distribution Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Distribution Period (with the reference rate for the calculation of Distribution being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_{i-x\ SBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Distribution Period;

"$\mathbf{d_o}$", for any Distribution Period, is the number of Singapore Business Days in the relevant Distribution Period;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and Distribution Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the applicable Pricing Supplement;

"***i***", for the relevant Distribution Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Distribution Period to the last Singapore Business Day in such Distribution Period;

"$\mathbf{n}_i$", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"**Observation Period**" means, for the relevant Distribution Period, the period from, and including, the date falling "*p*" Singapore Business Days prior to the first day of such Distribution Period (and the first Distribution Period shall begin on and include the Distribution Commencement Date) and to, but excluding, the date falling "*p*" Singapore Business Days prior to the Distribution

Payment Date at the end of such Distribution Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable);

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"$\mathbf{SORA}_{i-x\,SBD}$" means, in respect of any Singapore Business Day "*i*" falling in the relevant Distribution Period, the reference rate equal to SORA in respect of the Singapore Business Day falling "*p*" Singapore Business Days prior to the relevant Singapore Business Day "*i*".

(cc) where "Backward Shifted Observation Period" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to a Distribution Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Distribution Period (with the reference rate for the calculation of Distribution being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Observation Period;

"**d_o**", for any Distribution Period, is the number of Singapore Business Days in the relevant Observation Period;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and Distribution Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the applicable Pricing Supplement;

"***i***", for the relevant Distribution Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

"**n_i**", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"**Observation Period**" means, for the relevant Distribution Period, the period from, and including, the date falling "*p*" Singapore Business Days prior to the first day of such Distribution Period (and the first Distribution Period shall begin on and include the Distribution Commencement Date) and to, but excluding, the date falling "*p*" Singapore Business Days prior to the Distribution Payment Date at the end of such Distribution Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable);

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"**$SORA_i$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

(dd) where "Payment Delay" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to a Distribution Period, the rate of return of a daily compound interest investment during such Distribution Period (with the reference rate for the calculation of Distribution being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Distribution Period;

"$\mathbf{d_o}$", for any Distribution Period, is the number of Singapore Business Days in the relevant Distribution Period;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and Distribution Period, the date falling one Singapore Business Day after the end of each Distribution Period provided that the Distribution Determination Date with respect to the final Distribution Period will be the date falling one Singapore Business Day after the Rate Cut-Off Date unless otherwise specified in the applicable Pricing Supplement;

"***i***", for the relevant Distribution Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Distribution Period to the last Singapore Business Day in such Distribution Period;

"$\mathbf{n_i}$", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Rate Cut-Off Date**" means the date that is "*p*" Singapore Business Days prior to the relevant redemption date, as applicable (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"**SORA$_i$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Distribution Period, the reference rate equal to SORA in respect of that Singapore Business Day.

For the purposes of calculating Compounded Daily SORA with respect to the final Distribution Period ending on the redemption date where SORA Payment Delay is specified hereon, the level of SORA for each Singapore Business Day in the period from (and including) the Rate Cut-Off Date to (but excluding) the relevant redemption date, as applicable, shall be the level of SORA in respect of such Rate Cut-Off Date.

For the avoidance of doubt, the formula for the calculation of Compounded Daily SORA only compounds SORA in respect of any Singapore Business Day. SORA applied to a day that is not a Singapore Business Day will be taken by applying SORA for the previous Singapore Business Day but without compounding.

(B) For each Floating Rate Perpetual Security where the reference rate is specified as being SORA Index Average ("**SORA Index Average**"), the SORA Benchmark for each Distribution Period shall be determined based on the SORA Index Average which shall be calculated by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the relevant Distribution Determination Date as follows:

$$\left(\frac{SORA\ Index_{End}}{SORA\ Index_{Start}} - 1\right) \times \left(\frac{365}{d_c}\right)$$

and the resulting percentage being rounded if necessary to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards, where:

"**d_c**" means the number of calendar days from (and including) the SORA Index$_{Start}$ to (but excluding) the SORA Index$_{End}$;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and Distribution Period, the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the relevant Distribution Payment Date or the relevant redemption date as applicable (or the date falling five Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable), unless otherwise specified in the applicable Pricing Supplement;

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA Index**" means, in relation to any Singapore Business Day, the SORA Index as published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) at the SORA Index Determination Time (as defined below), provided that if the SORA Index does not so appear at the SORA Index Determination Time, then:

(aa) if a Benchmark Event has not occurred, the SORA Index Average shall be calculated on any Distribution Determination Date with respect to a Distribution Period, in accordance with the Compounded Daily SORA formula described above in Condition 4(II)(b)(ii)(1)(A)(cc), and the Observation Period shall be calculated with reference to the number of Singapore Business Days preceding the first date of the relevant Distribution Period that is used in the definition of SORA $\text{Index}_{\text{Start}}$ as specified in the applicable Pricing Supplement; or

(bb) if a Benchmark Event has occurred, the provisions set forth in Condition 4(II)(b)(ii)(1)(F) shall apply;

"**SORA** $\textbf{Index}_{\textbf{End}}$" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the relevant Distribution Payment Date or the relevant redemption date as applicable (or the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable);

"**SORA** $\textbf{Index}_{\textbf{Start}}$" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the first date of the relevant Distribution Period; and

"**SORA Index Determination Time**" means, in relation to any Singapore Business Day, approximately 3:00 p.m. (Singapore time) on such Singapore Business Day.

(C) If, subject to Condition 4(II)(b)(ii)(1)(F), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such day "*i*", SORA in respect of such day "*i*" has not been published and a Benchmark Event has not occurred, then SORA for that day "*i*" will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.

(D) In the event that the Rate of Distribution cannot be determined in accordance with the foregoing provisions by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement), subject to Condition 4(II)(b)(ii)(1)(F), the Rate of Distribution shall be:

(aa) that determined as at the last preceding Distribution Determination Date or, as the case may be, Rate Cut-off Date (though substituting, where a different Spread (if any) or Step-Up Margin (if any) or Cessation or Suspension of Trading Event Margin (if any) or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the relevant Distribution Period from that which applied to the last preceding Distribution Period, the Spread, Step-Up Margin, Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution (as specified in the applicable Pricing Supplement) relating to the relevant Distribution Period in place of the Spread, Step-Up Margin, Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Period);

(bb) if there is no such preceding Distribution Determination Date or, as the case may be, Rate Cut-off Date, the initial Rate of Distribution which would have been applicable to such Series of SORA Perpetual Securities for the first Distribution Period had the SORA Perpetual Securities been in issue for a period equal in duration to the scheduled first Distribution Period but ending on (and excluding) the Distribution Commencement Date (but applying the Spread, Step-Up Margin, Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution applicable to the first Distribution Period (if any)).

(E) If the relevant Series of SORA Perpetual Securities become due and payable in accordance with Condition 9, the final Distribution Determination Date shall, notwithstanding any Distribution Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such SORA Perpetual Securities became due and payable (with corresponding adjustments being deemed to be made to the applicable SORA Benchmark formula) and the Rate of Distribution on such SORA Perpetual Securities shall, for so long as any such SORA Perpetual Security remains outstanding, be that determined on such date.

(F) **Benchmark Discontinuation and Replacement – SORA Perpetual Securities**

(aa) **Independent Adviser**

Notwithstanding the provisions above in this Condition 4(II)(b)(ii)(1), if a Benchmark Event occurs in relation to an Original Reference Rate (as defined in Condition 4(II)(b)(ii)(1)(F)(gg)) prior to the relevant (in the case of Fixed Rate Perpetual Securities) Reset Determination Date or (in the case of Floating Rate Perpetual Securities) Distribution Determination Date when any Distribution Rate or (as the case may be) Rate of Distribution (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use commercially reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine the Benchmark Replacement (in accordance with Condition 4(II)(b)(ii)(1)(F)(bb)) and an Adjustment Spread, if any (in accordance with Condition 4(II)(b)(ii)(1)(F)(cc)) and any Benchmark Amendments (in accordance with Condition 4(II)(b)(ii)(1)(F)(dd)) by no later than five business days prior to the relevant Reset Determination Date or (as the case may be) Distribution Determination Date (the "**IA Determination Cut-off Date**").

An Independent Adviser appointed pursuant to this Condition 4(II)(b)(ii)(1)(F)(aa) as an expert shall act in good faith and in a commercially reasonable manner and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Perpetual Securityholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4(II)(b)(ii)(1)(F).

If the Issuer is unable to appoint an Independent Adviser after using commercially reasonable endeavours, or the Independent Adviser appointed by it fails to determine the Benchmark Replacement prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine the Benchmark Replacement (in accordance with Condition 4(II)(b)(ii)(1)(F)(bb) and an Adjustment Spread, if any (in accordance with Condition 4(II)(b)(ii)(1)(F)(cc)) and any Benchmark Amendments (in accordance with Condition 4(II)(b)(ii)(1)(F)(dd)). If the Issuer is unable to or does not determine the Benchmark Replacement by five business days prior to the relevant Reset Determination Date in respect of a Reset Date (the "**Original Reset Date**") or (as the case may be) Distribution Determination Date, the Distribution Rate or (as the case may be) the Rate of Distribution applicable to the relevant current Distribution Period shall be equal to the Distribution Rate or (as the case may be) Rate of Distribution last determined in relation to the Perpetual Securities in respect of the immediately preceding Distribution Period. If there has not been a first

Distribution Payment Date, the Distribution Rate or (as the case may be) Rate of Distribution shall be the initial Distribution Rate or (as the case may be) Rate of Distribution which would have been applicable to the Series of Perpetual Securities for the first Distribution Period had the Perpetual Securities been in issue for a period equal in duration to the scheduled first Distribution Period but ending on (and excluding) the Distribution Commencement Date. Where a different Step-Up Margin, Cessation or Suspension of Trading Event Margin, Spread or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the relevant Distribution Period from that which applied to the last preceding Distribution Period, the Step-Up Margin, Cessation or Suspension of Trading Event Margin, Spread or Maximum Rate of Distribution or Minimum Rate of Distribution relating to the relevant Distribution Period shall be substituted in place of the Step-Up Margin, Cessation or Suspension of Trading Event Margin, Spread or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Period. In the case where no Spread, Step-Up Margin or Cessation or Suspension of Trading Event Margin is applied in the last preceding Distribution Period and a Spread, Step-Up Margin or Cessation or Suspension of Trading Event Margin is to be applied to the relevant Distribution Period, such Spread, Step-Up Margin or Cessation or Suspension of Trading Event Margin shall be applied to the relevant Distribution Period. For the avoidance of doubt, (1) (A) (other than in the case of Fixed Rate Perpetual Securities) this paragraph shall apply to the relevant current Distribution Period only and any subsequent Distribution Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 4(II)(b)(ii)(1)(F)(aa)), and (B) (in the case of Fixed Rate Perpetual Securities) this paragraph shall apply to the relevant next Distribution Period falling immediately after the Original Reset Date only and any subsequent Distribution Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 4(II)(b)(ii)(1)(F), and such relevant Reset Date shall be adjusted so that it falls on the Distribution Payment Date immediately after the Original Reset Date (the "**Adjusted Reset Date**"), (2) this paragraph shall apply, *mutatis mutandis*, to each Adjusted Reset Date until the Benchmark Replacement is determined in accordance with this Condition 4(II)(b)(ii)(1)(F) and (3) notwithstanding any other provisions of this Condition 4(II)(b)(ii)(1)(F), the Reset Dates falling after any Adjusted Reset Date shall continue to fall on the dates falling every Reset Period after the First Reset Date (subject to adjustment pursuant to this Condition 4(II)(b)(ii)(1)(F)(aa)) and the Reset Period shall remain unchanged.

(bb) **Benchmark Replacement**

The Benchmark Replacement determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) shall (subject to adjustments as provided in Condition 4(II)(b)(ii)(1)(F)(cc)) subsequently be used in place of the Original Reference Rate to determine the Distribution Rate or (as the case may be) Rate of Distribution (or the relevant component part thereof) for all future payments of distribution on the Perpetual Securities (subject to the operation of this Condition 4(II)(b)(ii)(1)(F)).

(cc) **Adjustment Spread**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines:

(i) that an Adjustment Spread is required to be applied to the Benchmark Replacement; and

(ii) the quantum of, or a formula or methodology for, determining such Adjustment Spread,

then such Adjustment Spread shall be applied to the Benchmark Replacement.

(dd) **Benchmark Amendments**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines:

(i) that Benchmark Amendments are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread; and

(ii) the terms of the Benchmark Amendments,

then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(II)(b)(ii)(1)(F)(ee), without any requirement for the consent or approval of Perpetual Securityholders vary these Conditions, the Agency Agreement and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent of a certificate signed by the authorised signatory(ies) of the Issuer pursuant to Condition 4(II)(b)(ii)(1)(F)(ee), the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall (at the expense and direction of the Issuer), without any requirement for the consent or approval

of the Perpetual Securityholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed or agreement supplemental to or amending the Trust Deed, the Agency Agreement, and these Conditions) and the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall not be liable to any party for any consequences thereof, provided that the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall not be obliged so to concur if in its opinion doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee, the Issuing and Paying Agent or the relevant Calculation Agent (as the case may be) in these Conditions, the Trust Deed or the Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee, the relevant Calculation Agent, the Transfer Agents, the Registrar and the Issuing and Paying Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement, and these Conditions as may be required in order to give effect to this Condition 4(II)(b)(ii)(1)(F). Perpetual Securityholders' consent shall not be required in connection with effecting the Benchmark Replacement or such other changes, including for the execution of any documents or other steps by the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Registrar or the Transfer Agents (if required). Further, none of the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any Benchmark Amendment or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(II)(b)(ii)(1)(F)(dd), the Issuer shall comply with the rules of any stock exchange on which the Perpetual Securities are for the time being listed or admitted to trading.

(ee) **Notices, etc.**

Any Benchmark Replacement, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(II)(b)(ii)(1)(F) will be notified promptly by the Issuer in writing to the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents and, in accordance with Condition 14, the Perpetual Securityholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date for such Benchmark Replacement, any related Adjustment Spread and of the Benchmark Amendments, if any (such effective date not being less than five business days after the date of notice or such other period as may be agreed between the Issuer, the Trustee, the relevant Calculation Agent and the Issuing and Paying Agent). For the avoidance of doubt, neither the Trustee, the relevant

Calculation Agent nor the Issuing and Paying Agents shall have any responsibility for making such determination.

No later than notifying the Trustee, the Perpetual Securityholders or the Couponholders of the same, the Issuer shall deliver to the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent a certificate signed by the authorised signatory(ies) of the Issuer:

(i) confirming (1) that a Benchmark Event has occurred, (2) the Benchmark Replacement, (3) where applicable, any Adjustment Spread and/or (4) the specific terms of any Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 4(II)(b)(ii)(1)(F); and

(ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread.

The Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. Further, none of the Trustee, the Issuing and Paying Agent, the relevant Calculation Agent, the Registrar or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to the Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard. The Benchmark Replacement, the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement, the Adjustment Spread (if any) or the Benchmark Amendments (if any) and without prejudice to the Trustee's, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent's and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Perpetual Securityholders and the Couponholders.

(ff) **Survival of Original Reference Rate**

Without prejudice to the obligations of the Issuer under Condition 4(II)(b)(ii)(1)(F)(aa), 4(II)(b)(ii)(1)(F)(bb), 4(II)(b)(ii)(1)(F)(cc) and 4(II)(b)(ii)(1)(F)(dd), the Original Reference Rate and the fallback provisions provided for in Condition 4, as applicable, will continue to apply unless and until the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent have been notified of

the Benchmark Replacement, and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 4(II)(b)(ii)(1)(F)(ee).

(gg) **Definitions**

For the purpose of this Condition 4(II)(b)(ii)(1)(F):

"**Adjustment Spread**" means either:

(i) a spread (which may be positive, negative or zero); or

(ii) the formula or methodology for calculating a spread, in either case, which the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines is required to be applied to the Benchmark Replacement to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Perpetual Securityholders and Couponholders as a result of the replacement of the Original Reference Rate with the Benchmark Replacement and is the spread, formula or methodology which:

(1) is formally recommended in relation to the replacement of the Original Reference Rate with the applicable Benchmark Replacement by any Relevant Nominating Body (as defined below);

(2) if the applicable Benchmark Replacement is the ISDA Fallback Rate, is the ISDA Fallback Adjustment; or

(3) is determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) having given due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Original Reference Rate with the applicable Benchmark Replacement for the purposes of determining rates of distribution (or the relevant component part thereof) for the same distribution period and in the same currency as the Perpetual Securities;

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines in accordance with Condition 4(II)(b)(ii)(1)(F)(bb)) has replaced the Original Reference Rate for the Corresponding Tenor in customary market usage in the international or if applicable, domestic debt capital markets for the purposes of determining rates of distribution (or the relevant component part thereof) for the same distribution period and in the same currency as the Perpetual Securities (including, but not limited to applicable government bonds);

"**Benchmark Amendments**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Distribution Period", timing and frequency of determining rates and making payments of distribution, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the Reset Period or, as the case may be, the Distribution Period, any other amendments to these Conditions, the Trust Deed, and/or the Agency Agreement, and other administrative matters) that the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines that adoption of any portion of such market practice is not administratively feasible or if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines that no market practice for use of such Benchmark Replacement exists, in such other manner as the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines is reasonably necessary);

"**Benchmark Event**" means the occurrence of one or more of the following events:

(i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist;

(ii) a public statement by the administrator of the Original Reference Rate that it has ceased or will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate);

(iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued;

(iv) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months;

(v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative or will, by a specified date within the following six months, be deemed to be no longer representative; or

(vi) it has become unlawful for any Issuing and Paying Agent, the relevant Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Perpetual Securityholder or Couponholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur:

(1) in the case of paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be;

(2) in the case of paragraph (iv) above, on the date of the prohibition or restriction of use of the Original Reference Rate; and

(3) in the case of paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed to no longer be) representative and which is specified in the relevant public statement,

and, in each case, not on the date of the relevant public statement;

"**Benchmark Replacement**" means the Interpolated Benchmark, provided that if the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) cannot determine the Interpolated Benchmark by the relevant Reset Determination Date or (as the case may be) Distribution Determination Date, then "Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be):

(i) Identified SORA;

(ii) the Successor Rate;

(iii) the ISDA Fallback Rate; and

(iv) the Alternative Rate;

"**Corresponding Tenor**" with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Original Reference Rate;

"**Identified SORA**" means the forward-looking term rate for the applicable Corresponding Tenor based on SORA that has been (i) selected or recommended by the Relevant Nominating Body, or (ii) determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) having given due consideration to any industry-accepted market practice for the relevant Singapore dollar denominated perpetual securities;

"**Independent Adviser**" means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 4(II)(b)(ii)(1)(F)(aa);

"**Interpolated Benchmark**" with respect to the Original Reference Rate means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (i) the Original Reference Rate for the longest period (for which the Original Reference Rate is available) that is shorter than the Corresponding Tenor and (ii) the Original Reference Rate for the shortest period (for which the Original Reference Rate is available) that is longer than the Corresponding Tenor;

"**ISDA Definitions**" means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Perpetual Securities of the relevant Series) (as specified in the applicable Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or (if specified in the applicable Pricing Supplement) the 2021 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as may be updated, amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be positive or negative value or zero) that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the Original Reference Rate in the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Original Reference Rate**" means, initially, SORA (being the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Distribution (or any component part thereof) on the Perpetual Securities), provided that if a Benchmark Event has occurred with respect to the then-current Original

Reference Rate, then "Original Reference Rate" means the applicable Benchmark Replacement;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored or endorsed by, chaired or co-chaired by or constituted at the request of:

(1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;

(2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);

(3) a group of the aforementioned central banks or other supervisory authorities; or

(4) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement for the Original Reference Rate for the Corresponding Tenor.

(2) in the case of Floating Rate Perpetual Securities which are not SORA Perpetual Securities, the Calculation Agent will determine the Rate of Distribution in respect of any Distribution Period at or about the Relevant Time on the Distribution Determination Date in respect of such Distribution Period as follows:

(A) if the Primary Source (as defined below) for the Floating Rate Perpetual Securities is a Screen Page (as defined below), subject as provided below, the Rate of Distribution in respect of such Distribution Period shall be:

(aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or

(bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Distribution Determination Date,

and as adjusted by the Spread (if any), the Step-Up Margin (if applicable) and the Cessation or Suspension of Trading Event Margin (if applicable);

(B) if the Primary Source for the Floating Rate Perpetual Securities is Reference Banks or if paragraph (b)(ii)(2)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Distribution Determination Date or if paragraph (b)(ii)(2)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Distribution Determination Date, subject as provided below, the Issuer (or an Independent Adviser appointed by it) shall request each of the Reference Banks to provide the Issuer (or an Independent Adviser appointed by it) with its offered quotation (expressed as a percentage rate per annum) for the Relevant Rates at the Relevant Time on the Distribution Determination Date in question. The Issuer shall notify such Relevant Rates of the Reference Banks to the Calculation Agent (on which the Calculation Agent shall be entitled to rely conclusively without further enquiry or any liability). The Rate of Distribution shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Distribution Determination Date and as adjusted by the Spread (if any), the Step-Up Margin (if applicable) and the Cessation or Suspension of Trading Event Margin (if applicable);

(C) if paragraph (b)(ii)(2)(B) applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Distribution shall be the Rate of Distribution determined on the previous Distribution Determination Date; and

(D) if the relevant Calculation Agent is unable to determine the Rate of Distribution for a Distribution Period in accordance with paragraphs (b)(ii)(2)(A) to (b)(ii)(2)(C) above, the Rate of Distribution for such Distribution Period shall be the Rate of Distribution in effect for the last preceding Distribution Period to which paragraphs (b)(ii)(2)(A), (b)(ii)(2)(B) or (b)(ii)(2)(C) above should have applied.

(iii) On the last day of each Distribution Period (except as otherwise specified in the applicable Pricing Supplement), the Issuer will pay distribution on each Floating Rate Perpetual Security to which such Distribution Period relates at the Rate of Distribution for such Distribution Period.

(iv) For the avoidance of doubt, in the event that the Rate of Distribution as determined in accordance with the foregoing in relation to any Distribution Period is less than zero (subject to any applicable Minimum Rate of Distribution), the Rate of Distribution in relation to such Distribution Period shall be equal to zero.

(v) If the applicable Pricing Supplement specifies a Minimum Rate of Distribution for any Distribution Period, then, in the event that the Rate of Distribution in respect of such Distribution Period determined in accordance with Condition 4(II)(b) is less than such Minimum Rate of Distribution, the Rate of Distribution for such Distribution Period shall be such Minimum Rate of Distribution.

(vi) If the applicable Pricing Supplement specifies a Maximum Rate of Distribution for any Distribution Period, then, in the event that the Rate of Distribution in respect of such Distribution Period determined in accordance with Condition 4(II)(b) is more than such Maximum Rate of Distribution, the rate of Distribution for such Distribution Period shall be such Maximum Rate of Distribution.

(vii) The Rate of Distribution so calculated shall be subject to Condition 4(III)(a) below.

(c) Definitions

As used in these Conditions:

"**Benchmark**" means the rate specified as such in the applicable Pricing Supplement;

"**business day**" means, in respect of each Perpetual Security, (i) a day (other than a Saturday, Sunday or gazetted public holiday) on which Euroclear, Clearstream, Luxembourg and CDP, as applicable, are operating, (ii) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent's specified office and (iii) (if a payment is to be made on that day) (1) (in the case of Perpetual Securities denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore, (2) (in the case of Perpetual Securities denominated in Euro) a day (other than a Saturday, Sunday or gazetted public holiday) on which the TARGET System is open for settlement in Euro and (3) (in the case of Perpetual Securities denominated in a currency other than Singapore dollars and Euro) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore and the principal financial centre for that currency;

"**Calculation Amount**" means the amount specified as such on the face of any Perpetual Security or, if no such amount is so specified, the Denomination Amount of such Perpetual Security as shown on the face thereof;

"**Day Count Fraction**" means, in respect of the calculation of an amount of distribution in accordance with Condition 4:

(i) if "Actual/Actual" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period divided by 365 (or, if any portion of that Fixed Rate Distribution Period or, as the case may be, Distribution Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Fixed Rate Distribution Period or, as the case may be, Distribution Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Fixed Rate Distribution Period or, as the case may be, Distribution Period falling in a non-leap year divided by 365);

(ii) if "Actual/360" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period in respect of which payment is being made divided by 360;

(iii) if "Actual/365 (Fixed)" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period in respect of which payment is being made divided by 365; and

(iv) if "30/360" is specified in the applicable Pricing Supplement, the number of days in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period falls;

"**D_1**" is the first calendar day, expressed as a number, of (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

"**Distribution Commencement Date**" means the Issue Date or such other date as may be specified as the Distribution Commencement Date on the face of such Perpetual Security;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and a Distribution Period, the date set out in the applicable Pricing Supplement or, if none is so specified and only if the Benchmark is SORA, has the meaning given to it in Condition 4(II)(b)(ii)(1)(A)(aa), 4(II)(b)(ii)(1)(A)(bb), 4(II)(b)(ii)(1)(A)(cc), 4(II)(b)(ii)(1)(A)(dd) or 4(II)(b)(ii)(1)(B) as applicable;

"**Euro**" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;

"**Independent Adviser**" means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 4(II)(b)(ii)(1)(F)(aa);

"**Primary Source**" means (i) the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Bloomberg agency or the Reuters Monitor Money Rates Service ("**Reuters**")) agreed to by the Calculation Agent or (ii) the Reference Banks, as the case may be;

"**Reference Banks**" means the institutions specified as such in the applicable Pricing Supplement or, if none, three major banks selected by the Issuer in the interbank market that is most closely connected with the Benchmark;

"**Relevant Currency**" means the currency in which the Perpetual Securities are denominated;

"**Relevant Financial Centre**" means, in the case of distribution to be determined on a Distribution Determination Date with respect to any Floating Rate Perpetual Security, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

"**Relevant Rate**" means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Distribution Period;

"**Relevant Time**" means, with respect to any Distribution Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

"**Screen Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System or any successor thereto.

(III) CALCULATIONS

(a) Determination of Rate of Distribution and Calculation of Distribution Amounts

The Calculation Agent will, as soon as practicable after the Relevant Time on each Distribution Determination Date, or such other time on such date as such Calculation Agent may be required to calculate any rate or amount, or make any determination or calculation, determine the Rate of Distribution and calculate the amount of distribution

payable (the "**Distribution Amounts**") in respect of each Calculation Amount of the relevant Floating Rate Perpetual Securities for the relevant Distribution Period, calculate the Redemption Amount (if applicable) or make such determination or calculation, as the case may be. The amount of distribution payable per Calculation Amount in respect of any Floating Rate Perpetual Security shall be calculated by multiplying the product of the Rate of Distribution and the Calculation Amount, by the Day Count Fraction shown on the Perpetual Security and rounding the resultant figure to the nearest sub-unit of the Relevant Currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(b) Notification

The Calculation Agent will cause the Rate of Distribution and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date and, if required to be calculated, the Redemption Amount (if applicable) to be notified to the Issuing and Paying Agent, the Trustee, the Issuer and (in the case of Floating Rate Perpetual Securities) to be notified to the Perpetual Securityholders as soon as possible after their determination but in no event later than the fourth business day thereafter. The Distribution Amounts and the Distribution Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period by reason of any Distribution Payment Date not being a business day. If an Enforcement Event (as defined below) occurs in relation to the Floating Rate Perpetual Securities, the Rate of Distribution and Distribution Amounts payable in respect of the Floating Rate Perpetual Securities shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Distribution and Distribution Amounts need to be made unless the Trustee requires otherwise.

(c) Failure to Determine or Calculate Rate of Distribution

If the Calculation Agent does not at any material time determine or calculate the Rate of Distribution for a Distribution Period or any Distribution Amount, it shall as soon as reasonably practicable notify the Trustee, the relevant Issuing and Paying Agent and the Issuer, and the Issuer shall endeavour to appoint an alternative Calculation Agent. In doing so, the alternative Calculation Agent shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. If the Issuer fails to so appoint, the Perpetual Securities will, for the relevant Distribution Period, accrue distribution at the rate in effect for the last preceding Distribution Period to which Condition 4(II) above shall have applied and the Issuing and Paying Agent will determine the relevant Distribution Amount, though substituting, where a different Spread, Step-Up Margin and Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the relevant Distribution Period from that which applied to the last preceding Distribution Period, the Spread, Step-Up Margin and Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution (as specified in the relevant Pricing Supplement) relating to the relevant Distribution Period shall be substituted in place of the Spread, Step-Up Margin and Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Period.

(d) Calculation Agent and Reference Banks

The Issuer will procure that, so long as any Floating Rate Perpetual Security (that is not a SORA Perpetual Security) remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Perpetual Security remains outstanding, there shall at all times be a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Distribution for any Distribution Period or to calculate the Distribution Amounts or Redemption Amount (if applicable), the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Calculation Agent may not resign from its duties without a successor having been appointed as aforesaid.

(IV) DISTRIBUTION DISCRETION

(a) Optional Payment

If Optional Payment is set out hereon, the Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date by giving notice (an "**Optional Payment Notice**") to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not earlier than the 30th calendar day nor later than the day as specified in the relevant Pricing Supplement (taking into account the requirements of the clearing systems, the Trustee and the Agents) prior to a scheduled Distribution Payment Date.

If Dividend Pusher is set out hereon, the Issuer may not elect to defer any distribution if during the "Reference Period" (as specified in the applicable Pricing Supplement) ending on the day before that scheduled Distribution Payment Date, either or both of the following (each such event a "**Compulsory Distribution Payment Event**") have occurred:

(i) a dividend, distribution or other payment has been declared or paid on or in respect of any of the Issuer's Junior Obligations or (except on a *pro rata* basis) any of the Issuer's Specified Parity Obligations; or

(ii) any of the Issuer's Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or (except on a *pro rata* basis) any of the Issuer's Specified Parity Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration,

in each case, other than (1) in connection with any employee benefit plan or other similar arrangement with or for the benefit of the employees, officers, directors or consultants of the H-REIT Group (as defined in the Trust Deed), (2) as a result of the exchange or conversion of Specified Parity Obligations of the Issuer for the Junior Obligations of the Issuer or (3) as otherwise specified in the applicable Pricing Supplement. For the avoidance of doubt, the payment, in accordance with the H-REIT Trust Deed (as defined in the Trust Deed), of any fees to the H-REIT Manager (as defined in the Trust Deed) in the form of units in H-REIT, cash or any other form of consideration shall not restrict the ability of the Issuer to elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date in accordance with this Condition.

In these Conditions,

(i) "**Junior Obligation**" means any class of equity capital in H-REIT and any other instruments or securities issued, entered into or guaranteed by the Issuer, that ranks or is expressed to rank, by its terms or by operation of law, junior to the Perpetual Securities; and

(ii) "**Specified Parity Obligations**" means any instrument or security (including without limitation any preferred units) issued, entered into or guaranteed by the Issuer (A) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the relevant Perpetual Securities and (B) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Issuer and/or in the case of an instrument or security guaranteed by the Issuer, the issuer thereof.

If Dividend Pusher is set out hereon, each Optional Payment Notice shall be accompanied, in the case of the notice to the Trustee and the Issuing and Paying Agent, by a certificate signed by the relevant authorised signatory(ies) of the Issuer confirming that no Compulsory Distribution Payment Event has occurred during the relevant Reference Period. Any such certificate shall be conclusive evidence that no Compulsory Distribution Payment Event has occurred during the relevant Reference Period and the Trustee and the Issuing and Paying Agent shall be entitled to rely without any obligation to verify the same and without liability to any Perpetual Securityholder or any other person on any Optional Payment Notice or any certificate as aforementioned. Each Optional Payment Notice shall be conclusive and binding on the Perpetual Securityholders.

(b) No Obligation to Pay

If Optional Payment is set out hereon and subject to Condition 4(IV)(c) and Condition 4(IV)(d), the Issuer shall have no obligation to pay any distribution on any Distribution Payment Date and any failure to pay a distribution in whole or in part shall not constitute a default of the Issuer in respect of the Perpetual Securities.

(c) Non-Cumulative Deferral and Cumulative Deferral

(i) If Non-Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) is non-cumulative and will not accrue distribution or interest. The Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion (and is not obliged to), and at any time, elect to pay an amount up to the amount of distribution which is unpaid ("**Optional Distribution**") (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e). There is no limit on the number of times or the extent of the amount with respect to which the Issuer can elect not to pay distributions pursuant to this Condition 4(IV).

Any partial payment of outstanding Optional Distribution by the Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a *pro rata* basis.

(ii) If Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) shall constitute "**Arrears of Distribution**". The Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 4(IV)(a)) further defer any Arrears of Distribution by complying with the foregoing notice requirement applicable to any deferral of an accrued distribution. The Issuer is not

subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to this Condition 4(IV) except that this Condition 4(IV)(c) shall be complied with until all outstanding Arrears of Distribution have been paid in full.

(iii) If Additional Distribution is set out hereon, each amount of Arrears of Distribution shall accrue distribution as if it constituted the principal of the Perpetual Securities at the Distribution Rate or Rate of Distribution (as the case may be) and the amount of such distribution (the "**Additional Distribution Amount**") with respect to Arrears of Distribution shall be due and payable pursuant to this Condition 4 and shall be calculated by applying the applicable Distribution Rate or Rate of Distribution (as the case may be) to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition 4. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

(d) Restrictions in the case of Non-Payment

If Dividend Stopper is set out hereon and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of this Condition 4(IV), the Issuer shall not, and shall procure that the subsidiaries of H-REIT shall not:

(i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Issuer's Junior Obligations or (except on a *pro rata* basis) any of the Issuer's Specified Parity Obligations; or

(ii) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of, any of the Issuer's Junior Obligations or (except on a *pro rata* basis) any of the Issuer's Parity Obligations,

in each case, other than (1) in connection with any employee benefit plan or similar arrangement with or for the benefit of the employees, officers, directors or consultants of the H-REIT Group (as defined in the Trust Deed) or (2) as a result of the exchange or conversion of Specified Parity Obligations of the Issuer for Junior Obligations of the Issuer or (3) as otherwise specified in the applicable Pricing Supplement, unless and until (A) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the Issuer has satisfied in full all outstanding Arrears of Distribution, (B) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (C) the Issuer is permitted to do so (or is permitted to procure its subsidiaries to do so) by an Extraordinary Resolution (as defined in the Trust Deed) of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement. For the avoidance of doubt, nothing in this Condition shall restrict the payment, in accordance with the H-REIT Trust Deed, of any fees to the H-REIT Manager in the form of units in H-REIT, cash or any other form of consideration.

(e) Satisfaction of Optional Distribution or Arrears of Distribution

The Issuer:

(i) may, at its sole discretion (and is not obliged to), satisfy an Optional Distribution or Arrears of Distribution, as the case may be (in whole or in part) at any time by giving notice of such election to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not earlier than the 30th calendar day nor later than the day as specified in the relevant Pricing Supplement (taking into account the requirements of the clearing systems, the Trustee and the Agents) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Optional Distribution or Arrears of Distribution on the payment date specified in such notice); and

(ii) in any event shall satisfy any outstanding Arrears of Distribution (in whole but not in part) on the earliest of:

(1) the date of redemption of the Perpetual Securities in accordance with the redemption events set out in Condition 5 (as applicable);

(2) the next Distribution Payment Date following the occurrence of a breach of Condition 4(IV)(d) or following the occurrence of a Compulsory Distribution Payment Event; and

(3) the date such amount becomes due under Condition 9 or on a final and effective Winding-Up of H-REIT.

Any partial payment of an Optional Distribution or Arrears of Distribution, as the case may be, by the Issuer shall be shared by the Perpetual Securityholders of all outstanding Perpetual Securities on a *pro-rata* basis.

(f) No Default

Notwithstanding any other provision in these Conditions, the non-payment of any distribution payment in accordance with this Condition 4(IV) shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 9) on the part of the Issuer under the Perpetual Securities.

5. REDEMPTION AND PURCHASE

(a) No Fixed Redemption Date

The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 9) only have the right (but not the obligation) to redeem or purchase them in accordance with the following provisions of this Condition 5.

(b) Redemption at the Option of the Issuer

(i) If so provided hereon, the Issuer may, at its option, redeem the Perpetual Securities in whole, but not in part, on the First Call Date (as specified hereon) or on any Distribution Payment Date thereafter at their principal amount, together with the distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued from (and including) the immediately

preceding Distribution Payment Date to (but excluding) the date fixed for redemption, on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable). Upon the expiry of any such notice as is referred to in this Condition 5(b)(i), the Issuer shall be bound to redeem the Securities in accordance with this Condition 5(b)(i).

(ii) If so provided hereon, the Issuer may, on giving irrevocable notice to the Perpetual Securityholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption.

All Perpetual Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 5(b).

In the case of a partial redemption of the Perpetual Securities, the notice to Perpetual Securityholders shall also contain the certificate numbers of the Bearer Perpetual Securities or, in the case of Registered Perpetual Securities, shall specify the principal amount of Registered Perpetual Securities drawn and the holder(s) of such Registered Perpetual Securities, to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Perpetual Securities are listed on any Stock Exchange (as defined in the Trust Deed), the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of such Perpetual Securities.

(c) Redemption for Taxation Reasons

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if:

(i) the Issuer receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that:

(1) the Perpetual Securities will not be regarded as "debt securities" for the purposes of Section 43H(4) of the Income Tax Act 1947 of Singapore ("**ITA**") and Regulation 2 of the Income Tax (Qualifying Debt Securities) Regulations; or

(2) the distributions (including any Optional Distributions, Arrears of Distribution, and Additional Distribution Amount) will not be regarded as interest payable by the Issuer for the purposes of the withholding tax exemption on interest for "qualifying debt securities" under the ITA; or

(ii) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of (1) any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax; or (2) any change in, or amendment to, the application or official interpretation of any such laws, regulations, rulings or other administrative pronouncements (including the enactment of any legislation and publication of any judicial decision or regulatory determination), in each case which change or amendment is enacted, promulgated, issued or becomes effective on or after the Issue Date or (3) any generally applicable official interpretation or pronouncement that provides for a position with respect to such laws or regulations or administrative pronouncements promulgated thereunder that differs from the previous generally accepted position which is issued or announced on or after the Issue Date, and such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.

Prior to the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver to the Trustee and the Issuing and Paying Agent:

(A) a certificate signed by a director or the duly authorised signatory(ies) of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and

(B) in the case of a notice of redemption pursuant to Condition 5(c)(i), a copy of the ruling from the Comptroller of Income Tax in Singapore (or other relevant authority) to such effect as stated in Condition 5(c)(i) or, in the case of a notice of redemption pursuant to Condition 5(c)(ii), an opinion of independent legal, tax or any other professional advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment,

and the Trustee and the Issuing and Paying Agent shall be entitled to accept such certificate, and ruling or opinion (as the case may be) as conclusive evidence of the satisfaction of the conditions precedent set out above without further enquiry and without liability to the Issuer, any Perpetual Securityholder or any other person, in which event it shall be conclusive and binding on the Perpetual Securityholders.

Upon the expiry of any such notice as is referred to in this Condition 5(c), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(c).

(d) Redemption for Accounting Reasons

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date

fixed for redemption) if, on such Distribution Payment Date or at any time after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards (International) issued by the Singapore Accounting Standards Council, as amended from time to time (the "**SFRS(I)**") or any other accounting standards that may replace SFRS(I) for the purposes of the consolidated financial statements of H-REIT (the "**Relevant Accounting Standard**"), the Perpetual Securities will not or will no longer be recorded as "equity" of H-REIT pursuant to the Relevant Accounting Standard.

Prior to the publication of any notice of redemption pursuant to this Condition 5(d), the Issuer shall deliver to the Trustee and the Issuing and Paying Agent:

(i) a certificate signed by a director or the duly authorised signatory(ies) of the Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances; and

(ii) an opinion of the Issuer's independent auditors stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the Relevant Accounting Standard has taken effect or is due to take effect,

and the Trustee and the Issuing and Paying Agent shall be entitled to accept such certificate and opinion as conclusive evidence of the satisfaction of the conditions precedent set out above without further enquiry and without liability to the Issuer, any Perpetual Securityholder or any other person, in which event it shall be conclusive and binding on the Perpetual Securityholders.

Upon the expiry of any such notice as is referred to in this Condition 5(d), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(d).

(e) Redemption for Tax Deductibility

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption):

(i) if the Issuer satisfies the Trustee immediately before giving such notice that, as a result of:

(1) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective on or after the Issue Date;

(2) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or

(3) any generally applicable official interpretation or pronouncement which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position which is issued or announced before the Issue Date,

payments by the Issuer which would otherwise have been deductible to H-REIT, are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, fully deductible by H-REIT for Singapore income tax purposes; or

(ii) if the Issuer receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that the distributions (including any Optional Distributions, Arrears of Distribution, and Additional Distribution Amount) will not be regarded as sums "payable by way of interest upon any money borrowed" for the purposes of Section 14(1)(a) of the ITA.

Prior to the publication of any notice of redemption pursuant to this Condition 5(e), the Issuer shall deliver or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

(A) a certificate signed by a director or the duly authorised signatory(ies) of the Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances; and

(B) in the case of a notice of redemption pursuant to Condition 5(e)(i), an opinion of the Issuer's independent tax or legal adviser of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change, amendment, interpretation or pronouncement has taken effect or is due to take effect or, in the case of a notice of redemption pursuant to Condition 5(e)(ii), a copy of the ruling from the Comptroller of Income Tax in Singapore (or other relevant authority) to such effect as stated in Condition 5(e)(ii),

and the Trustee and the Issuing and Paying Agent shall be entitled to accept such certificate and opinion or ruling (as the case may be) as conclusive evidence of the satisfaction of the conditions precedent set out above without further enquiry and without liability to the Issuer, any Perpetual Securityholder or any other person, in which event it shall be conclusive and binding on the Perpetual Securityholders.

Upon the expiry of any such notice as is referred to in this Condition 5(e), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(e).

(f) Redemption upon a Regulatory Event

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if as a result of any change in, or amendment to, the Property Funds Appendix, or any change in the application or official interpretation of the Property Funds Appendix, the Perpetual Securities count or will count towards the Aggregate Leverage under the Property Funds Appendix, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Perpetual Securities will count towards the Aggregate Leverage.

Prior to the publication of any notice of redemption pursuant to this Condition 5(f), the Issuer shall deliver, or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

(i) a certificate signed by a director or the duly authorised signatory(ies) of the Issuer stating that the Issuer is entitled to effect such redemption and setting out the details of such circumstances; and

(ii) an opinion of independent legal or any other professional advisers of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to, or change in application or interpretation of, the Property Funds Appendix, took, or is due to take, effect,

and the Trustee and the Issuing and Paying Agent shall be entitled to accept such certificate and opinion as conclusive evidence of the satisfaction of the conditions precedent set out above without further enquiry and without liability to the Issuer, any Perpetual Securityholder or any other person, in which event it shall be conclusive and binding on the Perpetual Securityholders.

Upon the expiry of any such notice as is referred to in this Condition 5(f), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(f).

For the purposes of this Condition 5(f):

"**Aggregate Leverage**" means, as defined under the Property Funds Appendix, the total borrowings and deferred payments of a real estate investment trust, or such other definition as may from time to time be provided for under the Property Funds Appendix; and

"**Property Funds Appendix**" means Appendix 6 to the Code of Collective Investment Schemes issued by the Monetary Authority of Singapore in relation to real estate investment trusts.

(g) Redemption upon a Ratings Event

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if as of the date fixed for redemption, an amendment, clarification or change has occurred, or will in the Distribution Payment Period immediately following the date fixed for redemption occur, in the equity credit criteria, guidelines or methodology of any Rating Agency (as defined below) requested from time to time by the Issuer to grant an equity credit rating to the Issuer or the Perpetual Securities and, in each case, any of their respective successors to the rating business thereof, which amendment, clarification or change results or will result in a lower equity credit for the Perpetual Securities than the equity credit assigned on the Issue Date or, if equity credit is not assigned on the Issue Date, at the date when equity credit is assigned for the first time.

Prior to the publication of any notice of redemption pursuant to this Condition 5(g), the Issuer shall deliver, or procure that there is delivered to the Trustee and the Issuing and Paying Agent a certificate signed by a director or the duly authorised signatory(ies) of the Issuer stating that the Issuer is entitled to effect such redemption and setting out the details of such circumstances, and the Trustee and the Issuing and Paying Agent shall be entitled to accept such certificate as conclusive evidence of the satisfaction of the conditions precedent set out above without further enquiry and without liability to the Issuer, any Perpetual Securityholder or any other person, in which event it shall be conclusive and binding on the Perpetual Securityholders.

Upon the expiry of any such notice as is referred to in this Condition 5(g), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(g).

For the purposes of this Condition 5(g), "**Rating Agency**" means (a) Fitch, Ratings Inc., (b) Moody's Investors Service, Inc., and (c) Standard & Poor's Rating Services, or any of their respective successors.

(h) Redemption in the case of Minimal Outstanding Amount

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 20 per cent. of the aggregate principal amount originally issued.

Upon the expiry of any such notice as is referred to in this Condition 5(h), the Issuer shall be bound to redeem all the Perpetual Securities in accordance with this Condition 5(h).

(i) Redemption upon Cessation or Suspension of Trading of Units

If so provided in the terms of the relevant Perpetual Security, in the event that (1) the units of H-REIT (as part of the stapled securities of CDL Hospitality Trusts or otherwise) cease to be listed and/or traded on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") or (2) trading in the units of H-REIT (as part of the stapled securities of CDL Hospitality Trusts or otherwise) on the SGX-ST is suspended for a continuous period exceeding 10 consecutive market days (each, a "**Cessation or Suspension of Trading Event**"), the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Optional Distribution, Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), following the occurrence of a Cessation or Suspension of Trading Event. The Issuer shall forthwith (and in any event not later than seven days after the Effective Date) notify the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders of such Cessation or Suspension of Trading Event.

Upon the expiry of any such notice to redeem the Perpetual Securities as is referred to in this Condition 5(i), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(i).

For the purposes of this Condition 5(i):

"**Effective Date**" means (in the case of (1) above) the date of cessation of listing and/or trading or (in the case of (2) above) the business day immediately following the expiry of such continuous period of 10 consecutive market days; and

"**market day**" means a day on which the SGX-ST is open for securities trading.

(j) Purchases

The Issuer or any of its subsidiaries may at any time purchase Perpetual Securities at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is in compliance with all relevant laws, regulations and directives.

Perpetual Securities purchased by the Issuer or any of its subsidiaries may be surrendered by the purchaser through the Issuer to, in the case of Bearer Perpetual Securities, the Issuing and Paying Agent and, in the case of Registered Perpetual Securities, the Registrar for cancellation or may at the option of the Issuer or any of its subsidiaries (as the case may be) be held or resold.

For the purposes of these Conditions, "**directive**" includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(k) Cancellation

All Perpetual Securities purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Perpetual Securities, by surrendering each such Perpetual Security together with all unmatured Coupons and unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Perpetual Securities, by surrendering the Certificate representing such Perpetual Securities to the Registrar, and in each case, if so surrendered, shall, together with all Perpetual Securities redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Perpetual Securities or Certificates so surrendered for cancellation may not be reissued or resold.

6. PAYMENTS

(a) Principal and Distribution in respect of Bearer Perpetual Securities

Payments of principal and distribution in respect of Bearer Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Perpetual Securities or Coupons, as the case may be, at the specified office of any Issuing and Paying Agent by transfer to an account maintained by the holder in that currency with a bank in the principal financial centre for that currency.

(b) Principal and Distribution in respect of Registered Perpetual Securities

(i) Payments of principal in respect of Registered Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 6(b)(ii).

(ii) Distribution on Registered Perpetual Securities shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "Record Date"). Payments of distribution on each Registered Perpetual Security shall be made by transfer to an account maintained by the holder in that currency with a bank in the principal financial centre for that currency.

(c) Payments Subject to Law etc.

Without prejudice to the provisions of Condition 7, all payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law, regulation or directive implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Perpetual Securityholders or Couponholders in respect of such payments.

(d) Appointment of Agents

The Issuing and Paying Agent, Registrar, Transfer Agent and Calculation Agent initially appointed by the Issuer and their specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and the Paying Agent, Registrar, Transfer Agent and/or the Calculation Agent in accordance with the terms of the Agency Agreement and to appoint additional or other Agents, provided that it will at all times maintain (i) an Issuing and Paying Agent, (ii) a Transfer Agent in relation to Registered Perpetual Securities, (iii) a Registrar in relation to Registered Perpetual Securities and (iv) a Calculation Agent where the Conditions so require. Any such appointment shall be binding on the Perpetual Securityholders and Couponholders.

Notice of any such change or any change of any specified office will promptly be given to the Perpetual Securityholders in accordance with Condition 14.

The Agency Agreement may be amended by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee, without the consent or sanction of any holder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein of a formal, minor or technical nature, to correct a manifest error or to comply with mandatory provisions of Singapore law or which is required by Euroclear and/or Clearstream, Luxembourg, CDP and/or any other clearing system in which the Perpetual Securities may be held or in any manner which the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee may mutually deem necessary or desirable and which does not, in the reasonable opinion of the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee, adversely affect the interests of the holders. Such amendment shall be binding on the Perpetual Securityholders and Couponholders.

(e) Unmatured Coupons and Unexchanged Talons

(i) Bearer Perpetual Securities which comprise Fixed Rate Perpetual Securities should be surrendered for payment together with all unmatured Coupons and unexchanged Talons (if any) relating to such Perpetual Securities, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within the prescription period relating thereto under Condition 8.

(ii) Subject to the provisions of the relevant Pricing Supplement, upon the due date for redemption of any Bearer Perpetual Security comprising a Floating Rate Perpetual Security, unmatured Coupons relating to such Perpetual Security (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Perpetual Security, any unexchanged Talon relating to such Perpetual Security (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Where any Bearer Perpetual Security comprising a Floating Rate Perpetual Security is presented for redemption without all unmatured Coupons, and where any Bearer Perpetual Security is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption or repayment of any Perpetual Security is not a due date for payment of distribution, distribution accrued from the preceding due date for payment of distribution or the Distribution Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Perpetual Security or Certificate.

(f) Talons

On or after the Distribution Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Perpetual Security, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

(g) Non-business days

Subject as provided in the relevant Pricing Supplement and/or in these Conditions, if any date for the payment in respect of any Perpetual Security or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further distribution or other payment in respect of any such delay.

7. TAXATION

(a) No deduction or withholding

Where the Perpetual Securities are recognised as debt securities for Singapore income tax purposes, all payments in respect of the Perpetual Securities and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in the receipt by the Perpetual Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Perpetual Security or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

(i) by or on behalf of a holder who is subject to such Taxes by reason of his being connected with Singapore otherwise than by reason only of the holding of such Perpetual Security or Coupon or the receipt of any sums due in respect of such Perpetual Security or Coupon (including, without limitation, the holder being (1) a resident in Singapore for tax purposes or (2) a non-resident of Singapore who has been granted an exemption by the Inland Revenue Authority of Singapore in respect of the requirement to withhold tax on payments made to it);

(ii) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or

(iii) by or on behalf of a holder who would be able to lawfully avoid (but has not so avoided) such deduction or withholding by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence but fails to do so.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any additional amount or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretation thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

Where the Perpetual Securities issued by the Issuer are not recognised as debt securities for Singapore income tax purposes, all payments, or part thereof, of Distributions and Optional Distributions in respect of the Perpetual Securities by or on behalf of the Issuer may be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Singapore or any political subdivision thereof or any authority therein or thereof having power to tax in the same manner as distribution on ordinary units of H-REIT, and the Issuer may be obliged (in certain circumstances) to withhold or deduct tax at the prevailing rate under Section 45G of the Income Tax Act 1947 of Singapore. In that event, the Issuer shall not be under any obligation to pay any

additional amounts as will result in receipt by the holders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required.

(b) Interpretation

As used in these Conditions, "**Relevant Date**" in respect of any Perpetual Security or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Perpetual Securityholders in accordance with Condition 14 that, upon further presentation of the Perpetual Security (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to "**principal**" shall be deemed to include any premium payable in respect of the Perpetual Securities, all Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5, "**distribution**" shall be deemed to include all Distribution Amounts and all other amounts payable pursuant to Condition 4 and any reference to "**principal**" and/or "**premium**" and/or "**Redemption Amounts**" and/or "**distribution**" shall be deemed to include any additional amounts which may be payable under these Conditions.

8. PRESCRIPTION

Claims against the Issuer for payment in respect of the Perpetual Securities and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within five (5) years from the appropriate Relevant Date for payment.

9. NON-PAYMENT

(a) Non-payment when due

Notwithstanding any of the provisions below in this Condition 9, the right to institute proceedings for Winding-Up of H-REIT is limited to circumstances set out in Condition 9(b). In the case of any distribution, such distribution will not be due if the Issuer has elected not to pay that distribution in accordance with Condition 4(IV). In addition, nothing in this Condition 9, including any restriction on commencing proceedings, shall in any way restrict or limit the rights of the Trustee or any of its directors, officers, employees or agents to claim from or to otherwise take any action against the Issuer in respect of any costs, charges, fees, expenses or liabilities incurred by such party pursuant to or in connection with the Perpetual Securities or the Trust Deed.

(b) Proceedings for Winding-Up

If (i) a final and effective order is made or an effective resolution is passed for the Winding-Up of H-REIT, or (ii) the Issuer does not pay any sum payable by it under the Perpetual Securities when due and, such default continues for a period of 15 business days after the due date (each, an "**Enforcement Event**"), the Issuer shall be deemed to be in default under the Trust Deed and the Perpetual Securities and the Trustee may, subject to the provisions of Condition 9(d), institute proceedings for the Winding-Up of H-REIT and/or prove in the Winding-Up of H-REIT and/or claim in the liquidation of H-REIT for such payment.

(c) Enforcement

Without prejudice to Condition 9(b) but subject to the provisions of Condition 9(d), the Trustee may but shall not be obliged to and without further notice to the Issuer, the Perpetual Securityholders or Couponholder, institute such proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Perpetual Securities, Coupons or the Trust Deed, as the case may be, (other than any payment obligation of the Issuer under or arising from the Perpetual Securities or the Trust Deed, including, without limitation, payment of any principal or premium or satisfaction of any distributions (including any damages awarded for breach of any obligations)) and in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

(d) Entitlement of Trustee

The Trustee may, but shall not be obliged to take any of the actions referred to in Condition 9(b) or Condition 9(c) against the Issuer to enforce the performance by the Issuer of any of the provisions of the Trust Deed or the Perpetual Securities or Coupons unless (i) it shall have been so directed by an Extraordinary Resolution of the Perpetual Securityholders or so requested in writing by Perpetual Securityholders holding not less than 30 per cent. in principal amount of the Perpetual Securities outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, claims, demands and liabilities to which in its opinion it may thereby become liable and all costs, charges, damages and expenses which may be incurred by it in connection therewith.

(e) Right of Perpetual Securityholders or Couponholder

No Perpetual Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the Winding-Up, or claim in the liquidation of, H-REIT or to prove in such Winding-Up unless the Trustee, having become so bound to proceed or being able to prove in such Winding-Up or claim in such liquidation, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing, in which case the Perpetual Securityholder or Couponholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise as set out in this Condition 9.

(f) Extent of Perpetual Securityholders' remedy

No remedy against the Issuer, other than as referred to in this Condition 9, shall be available to the Trustee or the Perpetual Securityholders or Couponholders, whether for the recovery of amounts owing in respect of the Trust Deed or the Perpetual Securities (as applicable) or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Trust Deed or the Perpetual Securities (as applicable).

(g) Damages subject to Subordination

If any court awards money, damages or other restitution for any default with respect to the performance by the Issuer of its obligations contained in the Trust Deed and the Perpetual Securities, the payment of such moneys, damages or other restitution shall be subject to the subordination provisions set out in these Conditions and Clause 2.3 of the Trust Deed.

10. MEETING OF PERPETUAL SECURITYHOLDERS, MODIFICATIONS, AND SUBSTITUTIONS

(a) Meeting of Noteholders and Modifications

The Trust Deed contains provisions for convening meetings of Perpetual Securityholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Perpetual Securities of such Series (including these Conditions insofar as the same may apply to such Perpetual Securities) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee (subject to it being indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, liabilities, costs, claims and demands to which in its opinion it may render itself liable and all costs, charges, damages and expenses which it may incur by so doing) upon the request in writing by Perpetual Securityholders holding not less than 10 per cent. in principal amount of the Perpetual Securities of any Series for the time being outstanding shall, convene a meeting of the Perpetual Securityholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Perpetual Securityholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (i) to amend the dates of redemption of the Perpetual Securities or any date for payment of distribution or Distribution Amounts on the Perpetual Securities, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Perpetual Securities, (iii) to reduce the rate or rates of distribution in respect of the Perpetual Securities or to vary the method or basis of calculating the rate or rates of distribution or the basis for calculating any Distribution Amount in respect of the Perpetual Securities, (iv) to vary any method of, or basis for, calculating the Redemption Amount, (v) to vary the currency or currencies of payment or denomination of the Perpetual Securities, (vi) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (vii) to modify the provisions concerning the quorum required at any meeting of Perpetual Securityholders or the majority required to pass the Extraordinary Resolution, or (viii) to amend the subordination provisions of the Perpetual Securities, will only be binding if passed at a meeting of the Perpetual Securityholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

Any application of a Successor Rate, Alternative Rate, an Adjustment Spread or any rate determined in accordance with Condition 4(II)(b)(ii)(1)(F), as the case may be, and any related Benchmark Amendments shall not constitute a matter which is required to be approved by an Extraordinary Resolution.

The Trustee may agree, without the consent of the Perpetual Securityholders or Couponholders, to (i) any modification of any provisions of the Trust Deed or any of the Transaction Documents which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with the mandatory provisions of Singapore law or is required by Euroclear and/or Clearstream, Luxembourg and/or CDP and/or any other clearing system in which the Perpetual

Securities may be held and (ii) any modification (except as mentioned in the Trust Deed) to the Trust Deed and any of the other Transaction Documents, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any of the other Transaction Documents, which is in the opinion of the Trustee not materially prejudicial to the interests of the Perpetual Securityholders. Any such modification, authorisation or waiver shall be binding on the Perpetual Securityholders and the Couponholders and, if the Trustee so requires, such modification, authorisation or waiver shall be notified to the Perpetual Securityholders as soon as practicable.

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution) the Trustee shall have regard to the interests of the Perpetual Securityholders as a class and shall not have regard to the consequences of such exercise for individual Perpetual Securityholders or Couponholders. No Perpetual Securityholder shall be entitled to claim from the Issuer or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Perpetual Securityholder except to the extent already provided for in Condition 7.

These Conditions may be amended, modified, or varied in relation to any Series of Perpetual Securities by the terms of the relevant Pricing Supplement in relation to such Series.

For the purpose of ascertaining the right to attend and vote at any meeting of the Perpetual Securityholders convened for the purpose of and in relation to Clauses 9.2(d) and 25 of the Trust Deed, Schedule 11 to the Trust Deed and Conditions 9 and 10 of the Perpetual Securities, those Perpetual Securities (if any) which are beneficially held by, or are held on behalf of the Issuer and any of its subsidiaries and not cancelled shall (unless and until ceasing to be so held) be disregarded when determining whether the requisite quorum of such meeting has been met and any votes cast or purported to be cast at such meeting in respect of such Perpetual Securities shall be disregarded and be null and void.

(b) Substitutions

The Trustee may (but shall not be obliged to), without the consent of the Perpetual Securityholders or Couponholders, agree to the substitution of the H-REIT Trustee's successor in business or any subsidiary of the H-REIT Trustee or its successor in business or the replacement or substitute trustee of H-REIT (the "**Substituted Obligor**") in place of the H-REIT Trustee (or of any previous substitute under the Trust Deed) as the principal debtor under the Trust Deed, the Perpetual Securities, the Certificates, the Coupons and the Talons provided that: (i) a deed is executed or undertaking given by the Substituted Obligor to the Trustee, in form and manner satisfactory to the Trustee, agreeing to be bound by the Trust Deed, the Perpetual Securities, the Coupons and the Talons (with consequential amendments as the Trustee may deem appropriate) as if the Substituted Obligor had been named in the Trust Deed, the Perpetual Securities, the Certificates, the Coupons and the Talons as the principal debtor in place of the H-REIT Trustee, (ii) if the Substituted Obligor is subject generally to the taxing jurisdiction of a territory or any authority of or in that territory with power to tax (the "**Substituted Territory**") other than the territory to the taxing jurisdiction of which (or to any such authority of or in which) the H-REIT Trustee is subject generally (the "**H-REIT Trustee's Territory**"), the Substituted Obligor shall (unless the Trustee otherwise agrees) give to the Trustee an undertaking satisfactory to the Trustee in terms corresponding to the terms of Condition 7 of the Perpetual Securities, with the substitution for the references in that Condition to the H-REIT Trustee's Territory of references to the Substituted Territory whereupon the Trust Deed, the Perpetual

Securities, the Certificates, the Coupons and the Talons shall be read accordingly, (iii) (unless the H-REIT Trustee's successor in business or replacement H-REIT Trustee is the Substituted Obligor) the obligations of the Substituted Obligor under the Trust Deed, the Perpetual Securities, the Certificates, the Coupons and the Talons are guaranteed by the H-REIT Trustee to the Trustee's satisfaction, (iv) each of the Issuer and the Substituted Obligor complies with such other requirements as the Trustee may reasonably direct in the interests of the Perpetual Securityholders, and (v) each of the Trustee and the Agents (as defined in the Trust Deed) is satisfied that the Substituted Obligor has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations and its internal policies and procedures in relation to such substitution.

11. REPLACEMENT OF PERPETUAL SECURITIES, CERTIFICATES, COUPONS AND TALONS

If a Perpetual Security, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Perpetual Securities, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Issuing and Paying Agent or, as the case may be, Transfer Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Perpetual Securityholders in accordance with Condition 14, on payment by the claimant of the costs, expenses and duties incurred in connection therewith and on such terms as to evidence, undertaking, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Perpetual Security, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Perpetual Security, Certificate, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Perpetual Securities, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

12. FURTHER ISSUES

The Issuer may from time to time without the consent of the Perpetual Securityholders or Couponholders create and issue further perpetual securities having the same terms and conditions as the Perpetual Securities of any Series and so that the same shall be consolidated and form a single Series with such Perpetual Securities, and references in these Conditions to "**Perpetual Securities**" shall be construed accordingly.

13. PROVISIONS RELATING TO THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment and from taking action to convene meetings unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee or any corporation related to it (or any director, officer or employee of the Trustee or any company or person in any other way associated with the Trustee) is entitled, *inter alia*, to enter into transactions with the Issuer (or any of its related corporations) in the ordinary course of business or in connection with the Perpetual Securities or the Coupons or the Talons or which it could have entered into had it not been a trustee of the Trust Deed, and to act as trustee of the holders of any other securities issued by the Issuer (or any of its related corporations), and to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Trust Deed also provides that the Trustee will not be liable to the Perpetual Securityholders and/or Couponholders for, *inter alia*, any action taken or omitted by it except to the extent where the Trustee's gross negligence, wilful default or fraud was the direct cause of any loss to the Perpetual Securityholders, and that each Perpetual Securityholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and the Trustee shall not at any time have any responsibility for the same and each Perpetual Securityholder shall not rely on the Trustee in respect thereof.

14. NOTICES

Notices to the holders of Registered Perpetual Securities shall be valid if mailed to them at their respective addresses in the Register and shall be deemed to have been given two days after the date of mailing. Notwithstanding the foregoing, notices to the holders of the Perpetual Securities shall be valid if (a) published in a daily newspaper of general circulation in Singapore (it is expected that such publication will be made in The Business Times) or (b) an announcement is made through the internet-based submission system operated by the SGX-ST. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper or internet-based submission system as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Perpetual Securities in accordance with this Condition 14. Notices to the holders of Perpetual Securities shall be in English language.

So long as the Perpetual Securities are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg, CDP, or any other clearing system, there may be substituted for such publication in such newspapers, delivery to the Perpetual Securityholders or announcement through the internet-based submission system operated by the SGX-ST, the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg, (subject to the agreement of CDP) CDP or, as the case may be, such other clearing system, for communication by it to the Perpetual Securityholders, except that if the Perpetual Securities are listed on the SGX-ST and the rules of such exchange so require or permit, notice will (unless waived by such exchange) in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Perpetual Securityholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or CDP.

Notices to be given by any Perpetual Securityholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relevant Perpetual Security or Perpetual Securities, with the Issuing and Paying Agent (in the case of Bearer Perpetual Securities) or the Registrar (in the case of Certificates). Whilst the Perpetual Securities are represented by a Global Security or a Global Certificate, such notice may be given by any Perpetual Securityholder to the Issuing and Paying Agent or, as the case may be, the Registrar through Euroclear, Clearstream, Luxembourg and/or CDP in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar and Euroclear, Clearstream, Luxembourg and/or CDP may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identities and addresses of all the Perpetual Securityholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given two days from the date of despatch to the Perpetual Securityholders.

15. LIMITATION OF LIABILITY OF THE H-REIT TRUSTEE

(a) Notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities or the Coupons, the Trustee, the Perpetual Securityholders and the Couponholders agree and acknowledge that DBS Trustee Limited has entered into the Trust Deed only in its capacity as trustee of H-REIT and not in its personal capacity and all references to (i) the "H-REIT Trustee" or the "Issuer" shall be construed accordingly. As such, notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities or the Coupons, DBS Trustee Limited has assumed all obligations under the Trust Deed, the Perpetual Securities or the Coupons solely in its capacity as trustee of H-REIT and not in its personal capacity and any liability of or indemnity, covenant, undertaking, representation and/or warranty given or to be given by the H-REIT Trustee under the Trust Deed, the Perpetual Securities or the Coupons is given by DBS Trustee Limited in its capacity as trustee of H-REIT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent and/or delegate is limited to the assets of H-REIT over which DBS Trustee Limited in its capacity as trustee of H-REIT has recourse and shall not extend to any personal assets of DBS Trustee Limited or any assets held by DBS Trustee Limited in its capacity as trustee of any other trust. Any obligation, matter, act, action or thing required to be done, performed or undertaken by the H-REIT Trustee under the Trust Deed, the Perpetual Securities or the Coupons shall only be in connection with matters relating to H-REIT (and shall not extend to the obligations of DBS Trustee Limited in respect of any other trust or real estate investment trust of which it is trustee). The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the H-REIT Trustee.

(b) Notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities and the Coupons, it is hereby acknowledged and agreed that the H-REIT Trustee's obligations under the Trust Deed, the Perpetual Securities and the Coupons will be solely the corporate obligations of the DBS Trustee Limited in its capacity as trustee of H-REIT and there shall be no recourse against the shareholders, directors, officers or employees of DBS Trustee Limited for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of the Trust Deed, the Perpetual Securities or the Coupons. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the H-REIT Trustee.

(c) For the avoidance of doubt, any legal action or proceedings commenced against the H-REIT Trustee whether in Singapore or elsewhere pursuant to the Trust Deed, the Perpetual Securities and the Coupons shall be brought against DBS Trustee Limited only in its capacity as trustee for H-REIT and not in its personal capacity. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the H-REIT Trustee.

(d) This Condition 15 shall survive the termination or rescission of the Trust Deed, the Perpetual Securities, the Coupons or the Talons.

(e) The provisions of this Condition 15 shall apply, *mutatis mutandis*, to any notices, certificates or other documents which the H-REIT Trustee issues under or pursuant to the Perpetual Securities and any documents in connection therewith as if expressly set out in such notice, certificate or document.

16. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person shall have any right under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce or enjoy the benefit of any term or condition of this Perpetual Security.

17. GOVERNING LAW AND JURISDICTION

(a) Governing Law

The Trust Deed, the Perpetual Securities, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of Singapore.

(b) Jurisdiction

The courts of Singapore are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, any Perpetual Securities, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, Perpetual Securities, Coupons or Talons may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

TERMS AND CONDITIONS OF THE HBT PERPETUAL SECURITIES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Perpetual Securities in definitive form (if any) issued in exchange for the Global Security(ies) or the Global Certificate(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the relevant Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Perpetual Securities. Unless otherwise stated, all capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on such Bearer Perpetual Securities or on Certificates relating to such Registered Perpetual Securities. References in the Conditions to "Perpetual Securities" are to the Perpetual Securities of one Series only, not to all Perpetual Securities that may be issued under the Programme. Details of the relevant Series will be shown on the face of the relevant Perpetual Securities and in the relevant Pricing Supplement.

The Perpetual Securities are constituted by a trust deed dated 5 November 2025 made between (1) DBS Trustee Limited (in its capacity as trustee of CDL Hospitality Real Estate Investment Trust) and M&C Business Trust Management Limited (in its capacity as trustee-manager of CDL Hospitality Business Trust ("**HBT**")) (the "**Issuer**"), as issuers, and (2) The Bank of New York Mellon, Singapore Branch (the "**Trustee**", which expression shall wherever the context so admits include all persons for the time being the trustee or trustees of the Trust Deed (as defined below)), as trustee of the Perpetual Securityholders (as defined below), and as amended, restated or supplemented from time to time (the "**Trust Deed**"), and (where applicable) the Perpetual Securities are issued with the benefit of a deed of covenant dated 5 November 2025 executed by the Issuer, relating to Perpetual Securities cleared through the CDP System (as defined in the Trust Deed) ("**CDP Perpetual Securities**") issued by the Issuer (the "**Deed of Covenant**"). These terms and conditions (the "**Conditions**") are subject to the detailed provisions of the Trust Deed. The Issuer has entered into an agency agreement dated 5 November 2025 (as amended, restated or supplemented from time to time, the "**Agency Agreement**") made between (1) the Issuer and DBS Trustee Limited (in its capacity as trustee of CDL Hospitality Real Estate Investment Trust), as issuers, (2) The Bank of New York Mellon, Singapore Branch, as issuing and paying agent in respect of CDP Perpetual Securities (in such capacity, the "**CDP Issuing and Paying Agent**"), transfer agent in respect of CDP Perpetual Securities (in such capacity, the "**CDP Transfer Agent**"), registrar in respect of CDP Perpetual Securities (in such capacity, the "**CDP Registrar**") and (where appointed as contemplated therein) calculation agent in respect of CDP Perpetual Securities that may be appointed under the Agency Agreement or (as the case may be) the calculation agency agreement (the "**Calculation Agency Agreement**") made between the Issuer, the Trustee and the relevant calculation agent (the "**CDP Calculation Agent**"), (3) The Bank of New York Mellon, London Branch, as issuing and paying agent in respect of Perpetual Securities that are cleared through a clearing system other than the CDP System ("**Non-CDP Perpetual Securities**") (in such capacity, the "**Non-CDP Issuing and Paying Agent**" and, together with the CDP Issuing and Paying Agent, the "**Issuing and Paying Agents**" and, each an "**Issuing and Paying Agent**"), and (where appointed as contemplated therein) calculation agent in respect of Non-CDP Perpetual Securities (in such capacity and, together with any other calculation agent that may be appointed in respect of Non-CDP Perpetual Securities under the Agency Agreement or (as the case may be) the Calculation Agency Agreement, the "**Non-CDP Calculation Agent**" and, together with the CDP Calculation Agent, the "**Calculation Agents**", and each a "**Calculation Agent**"), (4) The Bank of New York Mellon SA/NV, Dublin Branch, as transfer agent in respect of Non-CDP Perpetual Securities (in such capacity, the "**Non-CDP Transfer Agent**" and, together with the CDP Transfer Agent, the "**Transfer Agents**" and, each a "**Transfer Agent**"), and registrar in respect of Non-CDP Perpetual Securities (in such capacity, the "**Non-CDP Registrar**" and, together with the CDP Registrar, the "**Registrars**", and each a "**Registrar**"), and (5) the Trustee, as trustee.

The Perpetual Securityholders and the holders (the "**Couponholders**") of distribution coupons (the "**Coupons**") appertaining to the Perpetual Securities in bearer form and, where applicable in the case of such Perpetual Securities, talons for further Coupons (the "**Talons**") are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant.

For the purposes of these Conditions, all references to (a) the Issuing and Paying Agent shall, in the case of a Series of CDP Perpetual Securities, be deemed to be a reference to the CDP Issuing and Paying Agent, and in the case of a Series of Non-CDP Perpetual Securities, be deemed to be a reference to the Non-CDP Issuing and Paying Agent, (b) the Registrar shall, in the case of a Series of CDP Perpetual Securities, be deemed to be a reference to the CDP Registrar and, in the case of a Series of Non-CDP Perpetual Securities, be deemed to be a reference to the Non-CDP Registrar, (c) the Transfer Agent shall in the case of a Series of CDP Perpetual Securities, be deemed to be a reference to the CDP Transfer Agent and, in the case of a Series of Non-CDP Perpetual Securities, be deemed to be a reference to the Non-CDP Transfer Agent, and (d) the Calculation Agent shall, in the case of a Series of CDP Perpetual Securities, be deemed to be a reference to the CDP Calculation Agent and, in the case of a Series of Non-CDP Perpetual Securities, be deemed to be a reference to the Non-CDP Calculation Agent, and (unless the context otherwise requires) all such references shall be construed accordingly.

Copies of the Trust Deed, the Agency Agreement, the Deed of Covenant and (if applicable) the Calculation Agency Agreement are available for inspection at the specified office of the Trustee for the time being and at the respective specified offices of the Issuing and Paying Agents for the time being during usual business hours, upon prior written request and satisfactory proof of holdings.

1. FORM, DENOMINATION AND TITLE

(a) Form and Denomination

(i) The Perpetual Securities of the Series of which this Perpetual Security forms part (in these Conditions, the "**Perpetual Securities**") are issued in bearer form (the "**Bearer Perpetual Securities**") or in registered form (the "**Registered Perpetual Securities**"), and in each case in the Denomination Amount shown in the relevant Pricing Supplement. Subject to applicable laws, in the case of Registered Perpetual Securities, such Perpetual Securities are in the Denomination Amount shown in the relevant Pricing Supplement, which may include a minimum denomination and higher integral multiples of a smaller amount, in each case, as specified in the applicable Pricing Supplement.

(ii) This Perpetual Security is a Fixed Rate Perpetual Security or a Floating Rate Perpetual Security (depending upon the Distribution Basis shown on its face).

(iii) Bearer Perpetual Securities are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached.

(iv) Registered Perpetual Securities are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Perpetual Securities by the same holder.

(b) Title

(i) Subject as set out below, title to the Bearer Perpetual Securities and the Coupons and, where applicable, Talons appertaining thereto shall pass by delivery. Title to the Registered Perpetual Securities shall pass by registration in the register that

the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**").

(ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Perpetual Security, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Perpetual Security, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Perpetual Security, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft, loss or forgery thereof, trust, interest therein, or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

(iii) For so long as any of the Perpetual Securities is represented by a Global Security (as defined below) or, as the case may be, a Global Certificate (as defined below) and such Global Security or Global Certificate is held by The Central Depository (Pte) Limited ("**CDP**"), each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of such Perpetual Securities (in which regard any certificate or other document issued by CDP as to the principal amount of such Perpetual Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, all other agents of the Issuer and the Trustee as the holder of such principal amount of Perpetual Securities other than with respect to the payment of principal, premium, distribution, redemption, purchase and/or any other amounts in respect of the Perpetual Securities, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, all other agents of the Issuer and the Trustee as the holder of such Perpetual Securities in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions "**Perpetual Securityholder**" and "**holder of Perpetual Securities**" and related expressions, where the context requires, shall be construed accordingly). Perpetual Securities which are represented by the Global Security or, as the case may be, the Global Certificate and held by CDP will be transferable only in accordance with the rules and procedures for the time being of CDP. For so long as any of the Perpetual Securities is represented by a Global Security or, as the case may be, a Global Certificate and such Global Security or, as the case may be, such Global Certificate is held by CDP, the record date for the purposes of determining entitlements to any payment of principal, distribution and any other amounts in respect of the Perpetual Securities shall, unless otherwise specified by the Issuer, be the date falling five Business Days prior to the relevant payment date (or such other date as may be prescribed by CDP from time to time).

(iv) For so long as any of the Perpetual Securities is represented by a Global Security or, as the case may be, a Global Certificate and such Global Security or Global Certificate is held by a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and/or any other clearing system (other than CDP), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or any such other clearing system (other than CDP) as the holder of a particular principal amount of such Perpetual Securities (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or any other clearing system (other than CDP) as to the principal amount of such Perpetual Securities (as the case may be) standing to the account of any person shall be

conclusive and binding for all purposes, save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, and all other agents of the Issuer and the Trustee as the holder of such principal amount of such Perpetual Securities other than with respect to the payment of principal, premium, distribution, redemption, purchase and/or any other amounts in respect of such Perpetual Securities, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent, and all other agents of the Issuer and the Trustee as the holder of such Perpetual Securities in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions "**Perpetual Securityholder**" and "**holder of Perpetual Securities**" and related expressions, where the context requires, shall be construed accordingly). Perpetual Securities which are represented by a Global Security or, as the case may be, a Global Certificate and held by a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other clearing system (other than CDP) will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg, or such other clearing system (other than CDP).

(v) In these Conditions, "**Global Security**" means the relevant Temporary Global Security representing each Series or the relevant Permanent Global Security representing each Series, "**Global Certificate**" means the relevant Global Certificate representing each Series that is registered in the name of, or in the name of a nominee of, (1) CDP, (2) a common depositary for Euroclear and/or Clearstream, Luxembourg and/or (3) any other clearing system, "**Perpetual Securityholder**" means the bearer of any Bearer Perpetual Security or the person in whose name a Registered Perpetual Security is registered (as the case may be) and "**holder**" (in relation to a Perpetual Security, Coupon or Talon) means the bearer of any Bearer Perpetual Security, Coupon or Talon or the person in whose name a Registered Perpetual Security is registered (as the case may be), "**Series**" means a Tranche, together with any further Tranche or Tranches, which are (1) expressed to be consolidated and forming a single series and (2) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of distribution and "**Tranche**" means Perpetual Securities which are identical in all respects (including as to listing).

(vi) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. NO EXCHANGE OF PERPETUAL SECURITIES AND TRANSFER OF REGISTERED PERPETUAL SECURITIES

(a) No Exchange of Perpetual Securities

Registered Perpetual Securities may not be exchanged for Bearer Perpetual Securities. Bearer Perpetual Securities of one Denomination Amount may not be exchanged for Bearer Perpetual Securities of another Denomination Amount. Bearer Perpetual Securities may not be exchanged for Registered Perpetual Securities.

(b) Transfer of Registered Perpetual Securities

Subject to Conditions 2(e) and 2(f) below, one or more Registered Perpetual Securities may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Perpetual Securities to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Perpetual Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Registered Perpetual Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Registered Perpetual Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar and the Trustee and (in the case of any change proposed by the Registrar) with the prior written approval of the Issuer and the Trustee. A copy of the current regulations will be made available by the Registrar, at the expense of the Issuer, to any Perpetual Securityholder upon request.

(c) Exercise of Options or Partial Redemption or Purchase in Respect of Registered Perpetual Securities

In the case of an exercise of an Issuer's option in respect of, or a partial redemption or purchase of, a holding of Registered Perpetual Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed or purchased. In the case of a partial exercise of an option resulting in Registered Perpetual Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Perpetual Securities of that holding that have the same terms. New Certificates shall only be issued against the surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Perpetual Securities to a person who is already a holder of Registered Perpetual Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates

Each new Certificate to be issued pursuant to Condition 2(b) or 2(c) shall be available for delivery within seven (7) business days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "business day" means a day (other than a Saturday, Sunday or gazetted public holiday) on which banks are open for business in the place of the specified office of the Registrar or the Transfer Agent (as the case may be).

(e) Transfers Free of Charge

Transfers of Perpetual Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment by the holder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the Transfer Agent may require) in respect of tax or charges.

(f) Closed Periods

No Perpetual Securityholder may require the transfer of a Registered Perpetual Security to be registered (i) during the period of fifteen (15) days prior to any date on which Perpetual Securities may be called for redemption by the Issuer at its option pursuant to Condition 5, (ii) after any such Perpetual Security has been called for redemption or (iii) during the period of seven (7) days ending on (and including) any Record Date (as defined in Condition 6(b)(ii)).

3. STATUS

(a) Senior Perpetual Securities

This Condition 3(a) applies to Perpetual Securities that are Senior Perpetual Securities (being the Perpetual Securities that specify their status as senior in the applicable Pricing Supplement). The Senior Perpetual Securities and Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

(b) Subordinated Perpetual Securities

This Condition 3(b) applies to Perpetual Securities that are Subordinated Perpetual Securities (being the Perpetual Securities that specify their status as subordinated in the applicable Pricing Supplement).

(i) Status of Subordinated Perpetual Securities

The Subordinated Perpetual Securities and Coupons relating to them constitute direct, unconditional, subordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of the Issuer. The rights and claims of the Perpetual Securityholders and Couponholders in respect of the Subordinated Perpetual Securities are subordinated as provided in this Condition 3(b).

In these Conditions, "**Parity Obligation**" means any instrument or security (including without limitation any preferred units) issued, entered into or guaranteed by the Issuer (1) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with a HBT Notional Preferred Unit (as defined below) and (2) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Issuer and/or, in the case of an instrument or security guaranteed by the Issuer, the issuer thereof or as otherwise specified in the applicable Pricing Supplement.

(ii) Ranking of claims on Winding-Up

Subject to the insolvency laws of Singapore and other applicable laws, in the event of the final and effective Winding-Up of HBT, there shall be payable by the Issuer in respect of each Subordinated Perpetual Security (in lieu of any other payment by the Issuer), such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the Winding-Up of HBT, and thereafter, such Perpetual Securityholder were the holder of one of a class of preferred units in the capital of HBT (and if more than one class of preferred units is outstanding, the most junior ranking class of such preferred units) (the "**HBT Notional Preferred Units**") having an equal right to return of assets in the Winding-Up of HBT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the Winding-Up of HBT, and so rank ahead of, the holders of Junior Obligations of the Issuer, but junior to the claims of all other present and future creditors of the Issuer (other than Parity Obligations of the Issuer), on the assumption that the amount that such Perpetual Securityholder was entitled to receive in respect of each HBT Notional Preferred Unit on a return of assets in such Winding-Up of HBT were an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Subordinated Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions (as defined in Condition 4(IV)(c)) in respect of which the Issuer has given notice to the holders of Subordinated Perpetual Securities in accordance with these Conditions. For the purposes of these Conditions, "**Winding-Up**" means bankruptcy, termination, winding-up, liquidation, judicial management, receivership or similar proceedings in respect of HBT.

(iii) No set-off

Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding, counterclaim, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding, counterclaim, compensation or retention against the Issuer. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or any Coupons relating to them is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of the Winding-Up of HBT, the liquidator or, as appropriate, administrator of HBT) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of HBT) and accordingly any such discharge shall be deemed not to have taken place.

4. DISTRIBUTION AND OTHER CALCULATIONS

(I) DISTRIBUTION ON FIXED RATE PERPETUAL SECURITIES

(a) Distribution Payment Date

Each Fixed Rate Perpetual Security confers a right to receive distribution on its principal amount outstanding from (and including) the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security at the rate per annum (expressed as a percentage) equal to the Distribution Rate shown on the face of such Perpetual Security payable in arrear on each Distribution Payment Date or Distribution Payment Dates shown on the face of such Perpetual Security in each year.

The first payment of distribution will be made on the Distribution Payment Date next following the Distribution Commencement Date (and if the Distribution Commencement Date is not a Distribution Payment Date, will amount to the Initial Broken Amount shown on the face of such Perpetual Security).

Distribution will cease to accrue on each Fixed Rate Perpetual Security from (and including) the due date for redemption thereof unless, upon due presentation thereof and subject to the provisions of the Trust Deed, payment of the Redemption Amount shown on the face of the Perpetual Security is improperly withheld or refused, in which event distribution at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(I) to (but excluding) the Relevant Date (as defined in Condition 7).

(b) Distribution Rate

The Distribution Rate applicable to each Fixed Rate Perpetual Security shall be:

(i) (if no Reset Date is specified in the applicable Pricing Supplement),

(1) if no Step-Up Margin is specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security; or

(2) if a Step-Up Margin is specified in the applicable Pricing Supplement, (A) for the period from (and including) the Distribution Commencement Date to (but excluding) the Step-Up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (B) for the period from (and including) the Step-Up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security plus the Step-Up Margin (as specified in the applicable Pricing Supplement); and

(ii) (if a Reset Date is specified in the applicable Pricing Supplement), (1) for the period from (and including) the Distribution Commencement Date to (but excluding) the First Reset Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (2) for the period from (and including) the First Reset Date and each Reset Date (as specified in the applicable Pricing Supplement) falling thereafter to (but excluding) the immediately following Reset Date, the Reset Distribution Rate,

provided always that if Redemption upon Cessation or Suspension of Trading Event (as defined in Condition 5(i)) is specified in the relevant Pricing Supplement and a Cessation or Suspension of Trading Event Margin is specified in the applicable Pricing Supplement, in the event that a Cessation or Suspension of Trading Event has

occurred, so long as the Issuer has not already redeemed the Perpetual Securities in accordance with Condition 5(i), the then prevailing Distribution Rate shall be increased by the Cessation or Suspension of Trading Event Margin with effect from (and including) the Distribution Payment Date immediately following the date on which the Cessation or Suspension of Trading Event occurred (or, if the Cessation or Suspension of Trading Event occurs on or after the date which is two business days prior to the immediately following Distribution Payment Date, the next following Distribution Payment Date).

For the purposes of this Condition:

"**Reset Determination Date**" means the second business day prior to the relevant Reset Date as specified in the applicable Pricing Supplement.

"**Reset Distribution Rate**" means the SORA OIS Rate or such other Relevant Rate (as specified in the applicable Pricing Supplement) with respect to the relevant Reset Date plus the Initial Spread (as specified in the applicable Pricing Supplement) plus the Step-Up Margin (if applicable, as specified in the applicable Pricing Supplement).

"**SORA OIS Rate**" means (A) the SORA-OIS reference rate for a period equal to the duration of the Reset Period specified in the applicable Pricing Supplement available on the "OTC SGD OIS" page on Bloomberg under "BGN" appearing under the column headed "Ask" (or such other substitute page thereof or if there is no substitute page, the screen page which is the generally accepted page used by market participants at that time as determined by an independent financial institution (which is appointed by the Issuer and notified to the Calculation Agent)) at the close of business on the Reset Determination Date, or (B) if a Benchmark Event has occurred in relation to the SORA OIS Rate, such rate as determined in accordance with Condition 4(II)(b)(ii)(1)(F).

(c) Calculation of Reset Distribution Rate

The Calculation Agent will, on the Reset Determination Date, determine the applicable Reset Distribution Rate payable in respect of each Perpetual Security. The Calculation Agent will cause the applicable Reset Distribution Rate determined by it to be notified to the Issuing and Paying Agent, the Registrar, the Trustee and the Issuer as soon as possible after its determination but in no event later than the fourth business day thereafter. All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Issuing and Paying Agent, the Registrar, the Transfer Agent and the Perpetual Securityholders and (except as provided in the Agency Agreement) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(d) Publication of Relevant Reset Distribution Rate

The Issuer shall cause notice of the then applicable Reset Distribution Rate to be notified to the Perpetual Securityholders in accordance with Condition 14 as soon as possible after determination thereof.

(e) Failure to Determine or Calculate Reset Distribution Rate

If the Calculation Agent does not at any material time determine or calculate the applicable Reset Distribution Rate, it shall as soon as reasonably practicable notify the Trustee, the relevant Issuing and Paying Agent, and the Issuer, and the Issuer shall endeavour to appoint an alternative Calculation Agent. In doing so, the alternative

Calculation Agent shall apply the foregoing provisions of this Condition 4(I), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. If the Issuer fails to so appoint, the Perpetual Securities will, for the relevant Reset Period (as specified in the applicable Pricing Supplement), accrue distribution at the rate in effect for the last preceding Reset Period to which Condition 4(I)(b) above shall have applied and the Issuing and Paying Agent will determine the relevant Distribution Amount.

(f) Calculations

In the case of a Fixed Rate Perpetual Security, distribution in respect of a period of less than one year will be calculated on the Day Count Fraction shown on the face of the Perpetual Security. The amount of distribution payable per Calculation Amount for any Fixed Rate Distribution Period (as defined below) in respect of any Fixed Rate Perpetual Security shall be calculated by multiplying the product of the applicable Distribution Rate and the Calculation Amount, by the Day Count Fraction shown on the face of the Fixed Rate Perpetual Security and rounding the resultant figure to the nearest sub-unit of the Relevant Currency.

"**Fixed Rate Distribution Period**" means the period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Payment Date and each successive period beginning on (and including) a Distribution Payment Date and ending on (but excluding) the next succeeding Distribution Payment Date.

(II) DISTRIBUTION ON FLOATING RATE PERPETUAL SECURITIES

(a) Distribution Payment Dates

Each Floating Rate Perpetual Security confers a right to receive distribution on its principal amount outstanding from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security, and such distribution will be payable in arrear on each distribution payment date ("**Distribution Payment Date**"), unless Payment Delay is specified in the applicable Pricing Supplement for a SORA Perpetual Security, in which case distribution (save for distribution in respect of the final Distribution Period (as defined below) which will be payable in arrear on the final Distribution Payment Date) will be payable in arrear on the last business day of the Delay Period as set out in the applicable Pricing Supplement following each Distribution Payment Date. Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Date(s) or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Distribution Period (as defined below) on the face of the Perpetual Security (the "**Specified Number of Months**") after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date (and which corresponds numerically with such preceding Distribution Payment Date or the Distribution Commencement Date, as the case may be).

If any Distribution Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the

immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Payment Date and each successive period beginning on (and including) a Distribution Payment Date and ending on (but excluding) the next succeeding Distribution Payment Date is herein called a "**Distribution Period**".

Distribution will cease to accrue on each Floating Rate Perpetual Security from (and including) the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event distribution will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(II) to (but excluding) the Relevant Date.

(b) Rate of Distribution – Floating Rate Perpetual Securities

(i) Each Floating Rate Perpetual Security confers a right to receive distribution on its principal amount outstanding at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Perpetual Security, being (in the case of Perpetual Securities which are denominated in Singapore dollars) SORA (in which case such Perpetual Security will be a "**SORA Perpetual Security**"), or in any other case such other Benchmark as is set out on the face of such Perpetual Security.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Perpetual Security. The "**Spread**" is the percentage rate per annum specified on the face of such Perpetual Security as being applicable to the rate of distribution for such Perpetual Security. The rate of distribution so calculated shall be subject to Condition 4(III)(a) below.

The rate of distribution payable in respect of a Floating Rate Perpetual Security from time to time is referred to in these Conditions as the "**Rate of Distribution**".

(ii) The Rate of Distribution payable from time to time in respect of each Floating Rate Perpetual Security will be determined by the Calculation Agent on the basis of the following provisions:

(1) in the case of Floating Rate Perpetual Securities which are SORA Perpetual Securities, the Rate of Distribution for each Distribution Period will, subject as provided below, be equal to the relevant SORA Benchmark (as defined in this Condition 4(II)(b)(ii)(1)) plus or minus the Spread (if any), the Step-Up Margin (if applicable, as specified in the applicable Pricing Supplement) and the Cessation or Suspension of Trading Event Margin (if applicable, as specified in the applicable Pricing Supplement).

The "**SORA Benchmark**" will be determined based on Compounded Daily SORA or SORA Index Average, as follows:

(A) if Compounded Daily SORA ("**Compounded Daily SORA**") is specified in the applicable Pricing Supplement, the SORA Benchmark for each Distribution Period shall be determined based on Compounded Daily SORA which shall be calculated by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the relevant Distribution Determination Date in accordance with one of the formulas referenced below depending upon which Observation Method is specified in the applicable Pricing Supplement:

(aa) where "Lockout" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to a Distribution Period, the rate of return of a daily compound interest investment during such Distribution Period (with the reference rate for the calculation of Distribution being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Distribution Period;

"**d_o**", for any Distribution Period, is the number of Singapore Business Days in the relevant Distribution Period;

"**Distribution Determination Date**" means the Singapore Business Day immediately following the Rate Cut-off Date, unless otherwise specified in the applicable Pricing Supplement;

"***i***", for the relevant Distribution Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Distribution Period to the last Singapore Business Day in such Distribution Period;

"**n_i**", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Rate Cut-Off Date**" means, with respect to a Rate of Distribution and Distribution Period, the date falling "*p*" Singapore Business Days prior to the Distribution Payment Date in respect of the relevant Distribution Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*";

"**SORA$_i$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Distribution Period:

I. if such Singapore Business Day is a SORA Reset Date, the reference rate equal to SORA in respect of that Singapore Business Day; and

II. if such Singapore Business Day is not a SORA Reset Date (being a Singapore Business Day falling in the Suspension Period), the reference rate equal to SORA in respect of the first Singapore Business Day falling in the Suspension Period (the "**Suspension Period SORA$_i$**") (such first day of the Suspension Period coinciding with the Rate Cut-Off Date). For the avoidance of doubt, the Suspension Period SORA$_i$ shall apply to each day falling in the relevant Suspension Period;

"**SORA Reset Date**" means, in relation to any Distribution Period, each Singapore Business Day during such Distribution Period, other than any Singapore Business Day falling in the Suspension Period corresponding with such Distribution Period; and

"**Suspension Period**" means, in relation to any Distribution Period, the period from (and including) the date falling "*p*" Singapore Business Days prior to the Distribution Payment Date in respect of the relevant Distribution Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable) or such other date specified in the applicable Pricing Supplement (such Singapore

Business Day coinciding with the Rate Cut-Off Date) to (but excluding) the Distribution Payment Date of such Distribution Period (or such earlier date, if any, on which the SORA Perpetual Securities become due and payable).

(bb) where "Lookback" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to a Distribution Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Distribution Period (with the reference rate for the calculation of Distribution being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_{i-x\ SBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Distribution Period;

"$\mathbf{d_o}$", for any Distribution Period, is the number of Singapore Business Days in the relevant Distribution Period;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and Distribution Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the applicable Pricing Supplement;

"***i***", for the relevant Distribution Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Distribution Period to the last Singapore Business Day in such Distribution Period;

"$\mathbf{n_i}$", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"**Observation Period**" means, for the relevant Distribution Period, the period from, and including, the date falling "*p*" Singapore Business Days prior to the first day of such Distribution Period (and the first Distribution Period shall begin on and include the Distribution Commencement Date) and to, but excluding, the date falling "*p*" Singapore Business Days prior to the Distribution

Payment Date at the end of such Distribution Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable);

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"$\mathbf{SORA}_{i-x\,SBD}$" means, in respect of any Singapore Business Day "*i*" falling in the relevant Distribution Period, the reference rate equal to SORA in respect of the Singapore Business Day falling "*p*" Singapore Business Days prior to the relevant Singapore Business Day "*i*".

(cc) where "Backward Shifted Observation Period" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to a Distribution Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Distribution Period (with the reference rate for the calculation of Distribution being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Observation Period;

"**d_o**", for any Distribution Period, is the number of Singapore Business Days in the relevant Observation Period;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and Distribution Period, the date falling one Singapore Business Day after the end of each Observation Period, unless otherwise specified in the applicable Pricing Supplement;

"***i***", for the relevant Distribution Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

"**n_i**", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"**Observation Period**" means, for the relevant Distribution Period, the period from, and including, the date falling "*p*" Singapore Business Days prior to the first day of such Distribution Period (and the first Distribution Period shall begin on and include the Distribution Commencement Date) and to, but excluding, the date falling "*p*" Singapore Business Days prior to the Distribution Payment Date at the end of such Distribution Period (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable);

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"**$SORA_i$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

(dd) where "Payment Delay" is specified as the Observation Method in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to a Distribution Period, the rate of return of a daily compound interest investment during such Distribution Period (with the reference rate for the calculation of Distribution being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Distribution Period;

"$\mathbf{d_o}$", for any Distribution Period, is the number of Singapore Business Days in the relevant Distribution Period;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and Distribution Period, the date falling one Singapore Business Day after the end of each Distribution Period provided that the Distribution Determination Date with respect to the final Distribution Period will be the date falling one Singapore Business Day after the Rate Cut-Off Date unless otherwise specified in the applicable Pricing Supplement;

"***i***", for the relevant Distribution Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Distribution Period to the last Singapore Business Day in such Distribution Period;

"$\mathbf{n_i}$", for any Singapore Business Day "*i*", is the number of calendar days from (and including) such Singapore Business Day "*i*" up to (but excluding) the following Singapore Business Day;

"***p***" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

"**Rate Cut-Off Date**" means the date that is "*p*" Singapore Business Days prior to the relevant redemption date, as applicable (or the date falling "*p*" Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable);

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA**" means, in respect of any Singapore Business Day "*i*", a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such Singapore Business Day "*i*"; and

"**$SORA_i$**" means, in respect of any Singapore Business Day "*i*" falling in the relevant Distribution Period, the reference rate equal to SORA in respect of that Singapore Business Day.

For the purposes of calculating Compounded Daily SORA with respect to the final Distribution Period ending on the redemption date where SORA Payment Delay is specified hereon, the level of SORA for each Singapore Business Day in the period from (and including) the Rate Cut-Off Date to (but excluding) the relevant redemption date, as applicable, shall be the level of SORA in respect of such Rate Cut-Off Date.

For the avoidance of doubt, the formula for the calculation of Compounded Daily SORA only compounds SORA in respect of any Singapore Business Day. SORA applied to a day that is not a Singapore Business Day will be taken by applying SORA for the previous Singapore Business Day but without compounding.

(B) For each Floating Rate Perpetual Security where the reference rate is specified as being SORA Index Average ("**SORA Index Average**"), the SORA Benchmark for each Distribution Period shall be determined based on the SORA Index Average which shall be calculated by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the relevant Distribution Determination Date as follows:

$$\left(\frac{SORA\ Index_{End}}{SORA\ Index_{Start}} - 1\right) \times \left(\frac{365}{d_c}\right)$$

and the resulting percentage being rounded if necessary to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards, where:

"**d_c**" means the number of calendar days from (and including) the SORA $Index_{Start}$ to (but excluding) the SORA $Index_{End}$;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and Distribution Period, the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the relevant Distribution Payment Date or the relevant redemption date as applicable (or the date falling five Singapore Business Days prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable), unless otherwise specified in the applicable Pricing Supplement;

"**Singapore Business Day**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA Index**" means, in relation to any Singapore Business Day, the SORA Index as published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at https://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) at the SORA Index Determination Time (as defined below), provided that if the SORA Index does not so appear at the SORA Index Determination Time, then:

(aa) if a Benchmark Event has not occurred, the SORA Index Average shall be calculated on any Distribution Determination Date with respect to a Distribution Period, in accordance with the Compounded Daily SORA formula described above in Condition 4(II)(b)(ii)(1)(A)(cc), and the Observation Period shall be calculated with reference to the number of Singapore Business Days preceding the first date of the relevant Distribution Period that is used in the definition of SORA $\text{Index}_{\text{Start}}$ as specified in the applicable Pricing Supplement; or

(bb) if a Benchmark Event has occurred, the provisions set forth in Condition 4(II)(b)(ii)(1)(F) shall apply;

"**SORA** $\textbf{Index}_{\textbf{End}}$" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the relevant Distribution Payment Date or the relevant redemption date as applicable (or the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the SORA Perpetual Securities become due and payable);

"**SORA** $\textbf{Index}_{\textbf{Start}}$" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the first date of the relevant Distribution Period; and

"**SORA Index Determination Time**" means, in relation to any Singapore Business Day, approximately 3:00 p.m. (Singapore time) on such Singapore Business Day.

(C) If, subject to Condition 4(II)(b)(ii)(1)(F), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such day "*i*", SORA in respect of such day "*i*" has not been published and a Benchmark Event has not occurred, then SORA for that day "*i*" will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.

(D) In the event that the Rate of Distribution cannot be determined in accordance with the foregoing provisions by the relevant Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement), subject to Condition 4(II)(b)(ii)(1)(F), the Rate of Distribution shall be:

(aa) that determined as at the last preceding Distribution Determination Date or, as the case may be, Rate Cut-off Date (though substituting, where a different Spread (if any) or Step-Up Margin (if any) or Cessation or Suspension of Trading Event Margin (if any) or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the relevant Distribution Period from that which applied to the last preceding Distribution Period, the Spread, Step-Up Margin, Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution (as specified in the applicable Pricing Supplement) relating to the relevant Distribution Period in place of the Spread, Step-Up Margin, Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Period);

(bb) if there is no such preceding Distribution Determination Date or, as the case may be, Rate Cut-off Date, the initial Rate of Distribution which would have been applicable to such Series of SORA Perpetual Securities for the first Distribution Period had the SORA Perpetual Securities been in issue for a period equal in duration to the scheduled first Distribution Period but ending on (and excluding) the Distribution Commencement Date (but applying the Spread, Step-Up Margin, Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution applicable to the first Distribution Period (if any)).

(E) If the relevant Series of SORA Perpetual Securities become due and payable in accordance with Condition 9, the final Distribution Determination Date shall, notwithstanding any Distribution Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such SORA Perpetual Securities became due and payable (with corresponding adjustments being deemed to be made to the applicable SORA Benchmark formula) and the Rate of Distribution on such SORA Perpetual Securities shall, for so long as any such SORA Perpetual Security remains outstanding, be that determined on such date.

(F) **Benchmark Discontinuation and Replacement – SORA Perpetual Securities**

(aa) **Independent Adviser**

Notwithstanding the provisions above in this Condition 4(II)(b)(ii)(1), if a Benchmark Event occurs in relation to an Original Reference Rate (as defined in Condition 4(II)(b)(ii)(1)(F)(gg)) prior to the relevant (in the case of Fixed Rate Perpetual Securities) Reset Determination Date or (in the case of Floating Rate Perpetual Securities) Distribution Determination Date when any Distribution Rate or (as the case may be) Rate of Distribution (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use commercially reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine the Benchmark Replacement (in accordance with Condition 4(II)(b)(ii)(1)(F)(bb)) and an Adjustment Spread, if any (in accordance with Condition 4(II)(b)(ii)(1)(F)(cc)) and any Benchmark Amendments (in accordance with Condition 4(II)(b)(ii)(1)(F)(dd)) by no later than five business days prior to the relevant Reset Determination Date or (as the case may be) Distribution Determination Date (the "**IA Determination Cut-off Date**").

An Independent Adviser appointed pursuant to this Condition 4(II)(b)(ii)(1)(F)(aa) as an expert shall act in good faith and in a commercially reasonable manner and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Perpetual Securityholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4(II)(b)(ii)(1)(F).

If the Issuer is unable to appoint an Independent Adviser after using commercially reasonable endeavours, or the Independent Adviser appointed by it fails to determine the Benchmark Replacement prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine the Benchmark Replacement (in accordance with Condition 4(II)(b)(ii)(1)(F)(bb) and an Adjustment Spread, if any (in accordance with Condition 4(II)(b)(ii)(1)(F)(cc)) and any Benchmark Amendments (in accordance with Condition 4(II)(b)(ii)(1)(F)(dd)). If the Issuer is unable to or does not determine the Benchmark Replacement by five business days prior to the relevant Reset Determination Date in respect of a Reset Date (the "**Original Reset Date**") or (as the case may be) Distribution Determination Date, the Distribution Rate or (as the case may be) the Rate of Distribution applicable to the relevant current Distribution Period shall be equal to the Distribution Rate or (as the case may be) Rate of Distribution last determined in relation to the Perpetual Securities in respect of the immediately preceding Distribution Period. If there has not been a first

Distribution Payment Date, the Distribution Rate or (as the case may be) Rate of Distribution shall be the initial Distribution Rate or (as the case may be) Rate of Distribution which would have been applicable to the Series of Perpetual Securities for the first Distribution Period had the Perpetual Securities been in issue for a period equal in duration to the scheduled first Distribution Period but ending on (and excluding) the Distribution Commencement Date. Where a different Step-Up Margin, Cessation or Suspension of Trading Event Margin, Spread or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the relevant Distribution Period from that which applied to the last preceding Distribution Period, the Step-Up Margin, Cessation or Suspension of Trading Event Margin, Spread or Maximum Rate of Distribution or Minimum Rate of Distribution relating to the relevant Distribution Period shall be substituted in place of the Step-Up Margin, Cessation or Suspension of Trading Event Margin, Spread or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Period. In the case where no Spread, Step-Up Margin or Cessation or Suspension of Trading Event Margin is applied in the last preceding Distribution Period and a Spread, Step-Up Margin or Cessation or Suspension of Trading Event Margin is to be applied to the relevant Distribution Period, such Spread, Step-Up Margin or Cessation or Suspension of Trading Event Margin shall be applied to the relevant Distribution Period. For the avoidance of doubt, (1) (A) (other than in the case of Fixed Rate Perpetual Securities) this paragraph shall apply to the relevant current Distribution Period only and any subsequent Distribution Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 4(II)(b)(ii)(1)(F)(aa)), and (B) (in the case of Fixed Rate Perpetual Securities) this paragraph shall apply to the relevant next Distribution Period falling immediately after the Original Reset Date only and any subsequent Distribution Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 4(II)(b)(ii)(1)(F), and such relevant Reset Date shall be adjusted so that it falls on the Distribution Payment Date immediately after the Original Reset Date (the "**Adjusted Reset Date**"), (2) this paragraph shall apply, *mutatis mutandis*, to each Adjusted Reset Date until the Benchmark Replacement is determined in accordance with this Condition 4(II)(b)(ii)(1)(F) and (3) notwithstanding any other provisions of this Condition 4(II)(b)(ii)(1)(F), the Reset Dates falling after any Adjusted Reset Date shall continue to fall on the dates falling every Reset Period after the First Reset Date (subject to adjustment pursuant to this Condition 4(II)(b)(ii)(1)(F)(aa)) and the Reset Period shall remain unchanged.

(bb) **Benchmark Replacement**

The Benchmark Replacement determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) shall (subject to adjustments as provided in Condition 4(II)(b)(ii)(1)(F)(cc)) subsequently be used in place of the Original Reference Rate to determine the Distribution Rate or (as the case may be) Rate of Distribution (or the relevant component part thereof) for all future payments of distribution on the Perpetual Securities (subject to the operation of this Condition 4(II)(b)(ii)(1)(F)).

(cc) **Adjustment Spread**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines:

(i) that an Adjustment Spread is required to be applied to the Benchmark Replacement; and

(ii) the quantum of, or a formula or methodology for, determining such Adjustment Spread,

then such Adjustment Spread shall be applied to the Benchmark Replacement.

(dd) **Benchmark Amendments**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines:

(i) that Benchmark Amendments are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread; and

(ii) the terms of the Benchmark Amendments,

then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(II)(b)(ii)(1)(F)(ee), without any requirement for the consent or approval of Perpetual Securityholders vary these Conditions, the Agency Agreement and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent of a certificate signed by the authorised signatory(ies) of the Issuer pursuant to Condition 4(II)(b)(ii)(1)(F)(ee), the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall (at the expense and direction of the Issuer), without any requirement for the consent or approval

of the Perpetual Securityholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed or agreement supplemental to or amending the Trust Deed, the Agency Agreement, and these Conditions) and the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall not be liable to any party for any consequences thereof, provided that the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent shall not be obliged so to concur if in its opinion doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee, the Issuing and Paying Agent or the relevant Calculation Agent (as the case may be) in these Conditions, the Trust Deed or the Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee, the relevant Calculation Agent, the Transfer Agents, the Registrar and the Issuing and Paying Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement, and these Conditions as may be required in order to give effect to this Condition 4(II)(b)(ii)(1)(F). Perpetual Securityholders' consent shall not be required in connection with effecting the Benchmark Replacement or such other changes, including for the execution of any documents or other steps by the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Registrar or the Transfer Agents (if required). Further, none of the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any Benchmark Amendment or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(II)(b)(ii)(1)(F)(dd), the Issuer shall comply with the rules of any stock exchange on which the Perpetual Securities are for the time being listed or admitted to trading.

(ee) **Notices, etc.**

Any Benchmark Replacement, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(II)(b)(ii)(1)(F) will be notified promptly by the Issuer in writing to the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents and, in accordance with Condition 14, the Perpetual Securityholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date for such Benchmark Replacement, any related Adjustment Spread and of the Benchmark Amendments, if any (such effective date not being less than five business days after the date of notice or such other period as may be agreed between the Issuer, the Trustee, the relevant Calculation Agent and the Issuing and Paying Agent). For the avoidance of doubt, neither the Trustee, the relevant

Calculation Agent nor the Issuing and Paying Agents shall have any responsibility for making such determination.

No later than notifying the Trustee, the Perpetual Securityholders or the Couponholders of the same, the Issuer shall deliver to the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent a certificate signed by the authorised signatory(ies) of the Issuer:

(i) confirming (1) that a Benchmark Event has occurred, (2) the Benchmark Replacement, (3) where applicable, any Adjustment Spread and/or (4) the specific terms of any Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 4(II)(b)(ii)(1)(F); and

(ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread.

The Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. Further, none of the Trustee, the Issuing and Paying Agent, the relevant Calculation Agent, the Registrar or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to the Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard. The Benchmark Replacement, the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement, the Adjustment Spread (if any) or the Benchmark Amendments (if any) and without prejudice to the Trustee's, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent's and (if the Benchmark Amendments affect the relevant Calculation Agent) the relevant Calculation Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the relevant Calculation Agent, the Issuing and Paying Agents, the Perpetual Securityholders and the Couponholders.

(ff) **Survival of Original Reference Rate**

Without prejudice to the obligations of the Issuer under Condition 4(II)(b)(ii)(1)(F)(aa), 4(II)(b)(ii)(1)(F)(bb), 4(II)(b)(ii)(1)(F)(cc) and 4(II)(b)(ii)(1)(F)(dd), the Original Reference Rate and the fallback provisions provided for in Condition 4, as applicable, will continue to apply unless and until the Trustee, the Issuing and Paying Agent and the relevant Calculation Agent have been notified of the

Benchmark Replacement, and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 4(II)(b)(ii)(1)(F)(ee).

(gg) **Definitions**

For the purpose of this Condition 4(II)(b)(ii)(1)(F):

"**Adjustment Spread**" means either:

(i) a spread (which may be positive, negative or zero); or

(ii) the formula or methodology for calculating a spread, in either case, which the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines is required to be applied to the Benchmark Replacement to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Perpetual Securityholders and Couponholders as a result of the replacement of the Original Reference Rate with the Benchmark Replacement and is the spread, formula or methodology which:

(1) is formally recommended in relation to the replacement of the Original Reference Rate with the applicable Benchmark Replacement by any Relevant Nominating Body (as defined below);

(2) if the applicable Benchmark Replacement is the ISDA Fallback Rate, is the ISDA Fallback Adjustment; or

(3) is determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) having given due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Original Reference Rate with the applicable Benchmark Replacement for the purposes of determining rates of distribution (or the relevant component part thereof) for the same distribution period and in the same currency as the Perpetual Securities;

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines in accordance with Condition 4(II)(b)(ii)(1)(F)(bb)) has replaced the Original Reference Rate for the Corresponding Tenor in customary market usage in the international or if applicable, domestic debt capital markets for the purposes of determining rates of distribution (or the relevant component part thereof) for the same distribution period and in the same currency as the Perpetual Securities (including, but not limited to applicable government bonds);

"**Benchmark Amendments**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Distribution Period", timing and frequency of determining rates and making payments of distribution, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the Reset Period or, as the case may be, the Distribution Period, any other amendments to these Conditions, the Trust Deed, and/or the Agency Agreement, and other administrative matters) that the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines that adoption of any portion of such market practice is not administratively feasible or if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines that no market practice for use of such Benchmark Replacement exists, in such other manner as the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) determines is reasonably necessary);

"**Benchmark Event**" means the occurrence of one or more of the following events:

(i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist;

(ii) a public statement by the administrator of the Original Reference Rate that it has ceased or will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate);

(iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued;

(iv) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months;

(v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative or will, by a specified date within the following six months, be deemed to be no longer representative; or

(vi) it has become unlawful for any Issuing and Paying Agent, the relevant Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Perpetual Securityholder or Couponholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur:

(1) in the case of paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be;

(2) in the case of paragraph (iv) above, on the date of the prohibition or restriction of use of the Original Reference Rate; and

(3) in the case of paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed to no longer be) representative and which is specified in the relevant public statement,

and, in each case, not on the date of the relevant public statement;

"**Benchmark Replacement**" means the Interpolated Benchmark, provided that if the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) cannot determine the Interpolated Benchmark by the relevant Reset Determination Date or (as the case may be) Distribution Determination Date, then "Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be):

(i) Identified SORA;

(ii) the Successor Rate;

(iii) the ISDA Fallback Rate; and

(iv) the Alternative Rate;

"**Corresponding Tenor**" with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Original Reference Rate;

"**Identified SORA**" means the forward-looking term rate for the applicable Corresponding Tenor based on SORA that has been (i) selected or recommended by the Relevant Nominating Body, or (ii) determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(II)(b)(ii)(1)(F)(aa)) (as the case may be) having given due consideration to any industry-accepted market practice for the relevant Singapore dollar denominated perpetual securities;

"**Independent Adviser**" means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 4(II)(b)(ii)(1)(F)(aa);

"**Interpolated Benchmark**" with respect to the Original Reference Rate means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (i) the Original Reference Rate for the longest period (for which the Original Reference Rate is available) that is shorter than the Corresponding Tenor and (ii) the Original Reference Rate for the shortest period (for which the Original Reference Rate is available) that is longer than the Corresponding Tenor;

"**ISDA Definitions**" means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Perpetual Securities of the relevant Series) (as specified in the applicable Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or (if specified in the applicable Pricing Supplement) the 2021 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as may be updated, amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be positive or negative value or zero) that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the Original Reference Rate in the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Original Reference Rate**" means, initially, SORA (being the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Distribution (or any component part thereof) on the Perpetual Securities), provided that if a Benchmark Event has occurred with respect to the then-current Original

Reference Rate, then "Original Reference Rate" means the applicable Benchmark Replacement;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored or endorsed by, chaired or co-chaired by or constituted at the request of:

(1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;

(2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);

(3) a group of the aforementioned central banks or other supervisory authorities; or

(4) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement for the Original Reference Rate for the Corresponding Tenor.

(2) in the case of Floating Rate Perpetual Securities which are not SORA Perpetual Securities, the Calculation Agent will determine the Rate of Distribution in respect of any Distribution Period at or about the Relevant Time on the Distribution Determination Date in respect of such Distribution Period as follows:

(A) if the Primary Source (as defined below) for the Floating Rate Perpetual Securities is a Screen Page (as defined below), subject as provided below, the Rate of Distribution in respect of such Distribution Period shall be:

(aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or

(bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Distribution Determination Date,

and as adjusted by the Spread (if any), the Step-Up Margin (if applicable) and the Cessation or Suspension of Trading Event Margin (if applicable);

(B) if the Primary Source for the Floating Rate Perpetual Securities is Reference Banks or if paragraph (b)(ii)(2)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Distribution Determination Date or if paragraph (b)(ii)(2)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Distribution Determination Date, subject as provided below, the Issuer (or an Independent Adviser appointed by it) shall request each of the Reference Banks to provide the Issuer (or an Independent Adviser appointed by it) with its offered quotation (expressed as a percentage rate per annum) for the Relevant Rates at the Relevant Time on the Distribution Determination Date in question. The Issuer shall notify such Relevant Rates of the Reference Banks to the Calculation Agent (on which the Calculation Agent shall be entitled to rely conclusively without further enquiry or any liability). The Rate of Distribution shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Distribution Determination Date and as adjusted by the Spread (if any), the Step-Up Margin (if applicable) and the Cessation or Suspension of Trading Event Margin (if applicable);

(C) if paragraph (b)(ii)(2)(B) applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Distribution shall be the Rate of Distribution determined on the previous Distribution Determination Date; and

(D) if the relevant Calculation Agent is unable to determine the Rate of Distribution for a Distribution Period in accordance with paragraphs (b)(ii)(2)(A) to (b)(ii)(2)(C) above, the Rate of Distribution for such Distribution Period shall be the Rate of Distribution in effect for the last preceding Distribution Period to which paragraphs (b)(ii)(2)(A), (b)(ii)(2)(B) or (b)(ii)(2)(C) above should have applied.

(iii) On the last day of each Distribution Period (except as otherwise specified in the applicable Pricing Supplement), the Issuer will pay distribution on each Floating Rate Perpetual Security to which such Distribution Period relates at the Rate of Distribution for such Distribution Period.

(iv) For the avoidance of doubt, in the event that the Rate of Distribution as determined in accordance with the foregoing in relation to any Distribution Period is less than zero (subject to any applicable Minimum Rate of Distribution), the Rate of Distribution in relation to such Distribution Period shall be equal to zero.

(v) If the applicable Pricing Supplement specifies a Minimum Rate of Distribution for any Distribution Period, then, in the event that the Rate of Distribution in respect of such Distribution Period determined in accordance with Condition 4(II)(b) is less than such Minimum Rate of Distribution, the Rate of Distribution for such Distribution Period shall be such Minimum Rate of Distribution.

(vi) If the applicable Pricing Supplement specifies a Maximum Rate of Distribution for any Distribution Period, then, in the event that the Rate of Distribution in respect of such Distribution Period determined in accordance with Condition 4(II)(b) is more than such Maximum Rate of Distribution, the rate of Distribution for such Distribution Period shall be such Maximum Rate of Distribution.

(vii) The Rate of Distribution so calculated shall be subject to Condition 4(III)(a) below.

(c) Definitions

As used in these Conditions:

"**Benchmark**" means the rate specified as such in the applicable Pricing Supplement;

"**business day**" means, in respect of each Perpetual Security, (i) a day (other than a Saturday, Sunday or gazetted public holiday) on which Euroclear, Clearstream, Luxembourg and CDP, as applicable, are operating, (ii) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent's specified office and (iii) (if a payment is to be made on that day) (1) (in the case of Perpetual Securities denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore, (2) (in the case of Perpetual Securities denominated in Euro) a day (other than a Saturday, Sunday or gazetted public holiday) on which the TARGET System is open for settlement in Euro and (3) (in the case of Perpetual Securities denominated in a currency other than Singapore dollars and Euro) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore and the principal financial centre for that currency;

"**Calculation Amount**" means the amount specified as such on the face of any Perpetual Security or, if no such amount is so specified, the Denomination Amount of such Perpetual Security as shown on the face thereof;

"**Day Count Fraction**" means, in respect of the calculation of an amount of distribution in accordance with Condition 4:

(i) if "Actual/Actual" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period divided by 365 (or, if any portion of that Fixed Rate Distribution Period or, as the case may be, Distribution Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Fixed Rate Distribution Period or, as the case may be, Distribution Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Fixed Rate Distribution Period or, as the case may be, Distribution Period falling in a non-leap year divided by 365);

(ii) if "Actual/360" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period in respect of which payment is being made divided by 360;

(iii) if "Actual/365 (Fixed)" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period in respect of which payment is being made divided by 365; and

(iv) if "30/360" is specified in the applicable Pricing Supplement, the number of days in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period falls;

"**D_1**" is the first calendar day, expressed as a number, of (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

"**Distribution Commencement Date**" means the Issue Date or such other date as may be specified as the Distribution Commencement Date on the face of such Perpetual Security;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and a Distribution Period, the date set out in the applicable Pricing Supplement or, if none is so specified and only if the Benchmark is SORA, has the meaning given to it in Condition 4(II)(b)(ii)(1)(A)(aa), 4(II)(b)(ii)(1)(A)(bb), 4(II)(b)(ii)(1)(A)(cc), 4(II)(b)(ii)(1)(A)(dd) or 4(II)(b)(ii)(1)(B) as applicable;

"**Euro**" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;

"**Independent Adviser**" means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 4(II)(b)(ii)(1)(F)(aa);

"**Primary Source**" means (i) the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Bloomberg agency or the Reuters Monitor Money Rates Service ("**Reuters**")) agreed to by the Calculation Agent or (ii) the Reference Banks, as the case may be;

"**Reference Banks**" means the institutions specified as such in the applicable Pricing Supplement or, if none, three major banks selected by the Issuer in the interbank market that is most closely connected with the Benchmark;

"**Relevant Currency**" means the currency in which the Perpetual Securities are denominated;

"**Relevant Financial Centre**" means, in the case of distribution to be determined on a Distribution Determination Date with respect to any Floating Rate Perpetual Security, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

"**Relevant Rate**" means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Distribution Period;

"**Relevant Time**" means, with respect to any Distribution Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

"**Screen Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System or any successor thereto.

(III) CALCULATIONS

(a) Determination of Rate of Distribution and Calculation of Distribution Amounts

The Calculation Agent will, as soon as practicable after the Relevant Time on each Distribution Determination Date, or such other time on such date as such Calculation Agent may be required to calculate any rate or amount, or make any determination or calculation, determine the Rate of Distribution and calculate the amount of distribution

payable (the "**Distribution Amounts**") in respect of each Calculation Amount of the relevant Floating Rate Perpetual Securities for the relevant Distribution Period, calculate the Redemption Amount (if applicable) or make such determination or calculation, as the case may be. The amount of distribution payable per Calculation Amount in respect of any Floating Rate Perpetual Security shall be calculated by multiplying the product of the Rate of Distribution and the Calculation Amount, by the Day Count Fraction shown on the Perpetual Security and rounding the resultant figure to the nearest sub-unit of the Relevant Currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(b) Notification

The Calculation Agent will cause the Rate of Distribution and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date and, if required to be calculated, the Redemption Amount (if applicable) to be notified to the Issuing and Paying Agent, the Trustee, the Issuer and (in the case of Floating Rate Perpetual Securities) to be notified to the Perpetual Securityholders as soon as possible after their determination but in no event later than the fourth business day thereafter. The Distribution Amounts and the Distribution Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period by reason of any Distribution Payment Date not being a business day. If an Enforcement Event (as defined below) occurs in relation to the Floating Rate Perpetual Securities, the Rate of Distribution and Distribution Amounts payable in respect of the Floating Rate Perpetual Securities shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Distribution and Distribution Amounts need to be made unless the Trustee requires otherwise.

(c) Failure to Determine or Calculate Rate of Distribution

If the Calculation Agent does not at any material time determine or calculate the Rate of Distribution for a Distribution Period or any Distribution Amount, it shall as soon as reasonably practicable notify the Trustee, the relevant Issuing and Paying Agent and the Issuer, and the Issuer shall endeavour to appoint an alternative Calculation Agent. In doing so, the alternative Calculation Agent shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. If the Issuer fails to so appoint, the Perpetual Securities will, for the relevant Distribution Period, accrue distribution at the rate in effect for the last preceding Distribution Period to which Condition 4(II) above shall have applied and the Issuing and Paying Agent will determine the relevant Distribution Amount, though substituting, where a different Spread, Step-Up Margin and Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the relevant Distribution Period from that which applied to the last preceding Distribution Period, the Spread, Step-Up Margin and Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution (as specified in the relevant Pricing Supplement) relating to the relevant Distribution Period shall be substituted in place of the Spread, Step-Up Margin and Cessation or Suspension of Trading Event Margin or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Period.

(d) Calculation Agent and Reference Banks

The Issuer will procure that, so long as any Floating Rate Perpetual Security (that is not a SORA Perpetual Security) remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Perpetual Security remains outstanding, there shall at all times be a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Distribution for any Distribution Period or to calculate the Distribution Amounts or Redemption Amount (if applicable), the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Calculation Agent may not resign from its duties without a successor having been appointed as aforesaid.

(IV) DISTRIBUTION DISCRETION

(a) Optional Payment

If Optional Payment is set out hereon, the Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date by giving notice (an "**Optional Payment Notice**") to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not earlier than the 30th calendar day nor later than the day as specified in the relevant Pricing Supplement (taking into account the requirements of the clearing systems, the Trustee and the Agents) prior to a scheduled Distribution Payment Date.

If Dividend Pusher is set out hereon, the Issuer may not elect to defer any distribution if during the "Reference Period" (as specified in the applicable Pricing Supplement) ending on the day before that scheduled Distribution Payment Date, either or both of the following (each such event a "**Compulsory Distribution Payment Event**") have occurred:

(i) a dividend, distribution or other payment has been declared or paid on or in respect of any of the Issuer's Junior Obligations or (except on a *pro rata* basis) any of the Issuer's Specified Parity Obligations; or

(ii) any of the Issuer's Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or (except on a *pro rata* basis) any of the Issuer's Specified Parity Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration,

in each case, other than (1) in connection with any employee benefit plan or other similar arrangement with or for the benefit of the employees, officers, directors or consultants of the HBT Group (as defined in the Trust Deed), (2) as a result of the exchange or conversion of Specified Parity Obligations of the Issuer for the Junior Obligations of the Issuer or (3) as otherwise specified in the applicable Pricing Supplement. For the avoidance of doubt, the payment, in accordance with the HBT Trust Deed (as defined in the Trust Deed), of any fees to the HBT Trustee-Manager (as defined in the Trust Deed) in the form of units in HBT, cash or any other form of consideration shall not restrict the ability of the Issuer to elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date in accordance with this Condition.

In these Conditions,

(i) "**Junior Obligation**" means any class of equity capital in HBT and any other instruments or securities issued, entered into or guaranteed by the Issuer, that ranks or is expressed to rank, by its terms or by operation of law, junior to the Perpetual Securities; and

(ii) "**Specified Parity Obligations**" means any instrument or security (including without limitation any preferred units) issued, entered into or guaranteed by the Issuer (A) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the relevant Perpetual Securities and (B) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Issuer and/or in the case of an instrument or security guaranteed by the Issuer, the issuer thereof.

If Dividend Pusher is set out hereon, each Optional Payment Notice shall be accompanied, in the case of the notice to the Trustee and the Issuing and Paying Agent, by a certificate signed by the relevant authorised signatory(ies) of the Issuer confirming that no Compulsory Distribution Payment Event has occurred during the relevant Reference Period. Any such certificate shall be conclusive evidence that no Compulsory Distribution Payment Event has occurred during the relevant Reference Period and the Trustee and the Issuing and Paying Agent shall be entitled to rely without any obligation to verify the same and without liability to any Perpetual Securityholder or any other person on any Optional Payment Notice or any certificate as aforementioned. Each Optional Payment Notice shall be conclusive and binding on the Perpetual Securityholders.

(b) No Obligation to Pay

If Optional Payment is set out hereon and subject to Condition 4(IV)(c) and Condition 4(IV)(d), the Issuer shall have no obligation to pay any distribution on any Distribution Payment Date and any failure to pay a distribution in whole or in part shall not constitute a default of the Issuer in respect of the Perpetual Securities.

(c) Non-Cumulative Deferral and Cumulative Deferral

(i) If Non-Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) is non-cumulative and will not accrue distribution or interest. The Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion (and is not obliged to), and at any time, elect to pay an amount up to the amount of distribution which is unpaid ("**Optional Distribution**") (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e). There is no limit on the number of times or the extent of the amount with respect to which the Issuer can elect not to pay distributions pursuant to this Condition 4(IV).

Any partial payment of outstanding Optional Distribution by the Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a *pro rata* basis.

(ii) If Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) shall constitute "**Arrears of Distribution**". The Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 4(IV)(a)) further defer any Arrears of Distribution by complying with the foregoing notice requirement applicable to any deferral of an accrued distribution. The Issuer is not

subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to this Condition 4(IV) except that this Condition 4(IV)(c) shall be complied with until all outstanding Arrears of Distribution have been paid in full.

(iii) If Additional Distribution is set out hereon, each amount of Arrears of Distribution shall accrue distribution as if it constituted the principal of the Perpetual Securities at the Distribution Rate or Rate of Distribution (as the case may be) and the amount of such distribution (the "**Additional Distribution Amount**") with respect to Arrears of Distribution shall be due and payable pursuant to this Condition 4 and shall be calculated by applying the applicable Distribution Rate or Rate of Distribution (as the case may be) to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition 4. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

(d) Restrictions in the case of Non-Payment

If Dividend Stopper is set out hereon and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of this Condition 4(IV), the Issuer shall not, and shall procure that the subsidiaries of HBT shall not:

(i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Issuer's Junior Obligations or (except on a *pro rata* basis) any of the Issuer's Specified Parity Obligations; or

(ii) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of, any of the Issuer's Junior Obligations or (except on a *pro rata* basis) any of the Issuer's Parity Obligations,

in each case, other than (1) in connection with any employee benefit plan or similar arrangement with or for the benefit of the employees, officers, directors or consultants of the HBT Group (as defined in the Trust Deed) or (2) as a result of the exchange or conversion of Specified Parity Obligations of the Issuer for Junior Obligations of the Issuer or (3) as otherwise specified in the applicable Pricing Supplement, unless and until (A) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the Issuer has satisfied in full all outstanding Arrears of Distribution, (B) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (C) the Issuer is permitted to do so (or is permitted to procure its subsidiaries to do so) by an Extraordinary Resolution (as defined in the Trust Deed) of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement. For the avoidance of doubt, nothing in this Condition shall restrict the payment, in accordance with the HBT Trust Deed, of any fees to the HBT Trustee-Manager in the form of units in HBT, cash or any other form of consideration.

(e) Satisfaction of Optional Distribution or Arrears of Distribution

The Issuer:

(i) may, at its sole discretion (and is not obliged to), satisfy an Optional Distribution or Arrears of Distribution, as the case may be (in whole or in part) at any time by giving notice of such election to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not earlier than the 30th calendar day nor later than the day as specified in the relevant Pricing Supplement (taking into account the requirements of the clearing systems, the Trustee and the Agents) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Optional Distribution or Arrears of Distribution on the payment date specified in such notice); and

(ii) in any event shall satisfy any outstanding Arrears of Distribution (in whole but not in part) on the earliest of:

(1) the date of redemption of the Perpetual Securities in accordance with the redemption events set out in Condition 5 (as applicable);

(2) the next Distribution Payment Date following the occurrence of a breach of Condition 4(IV)(d) or following the occurrence of a Compulsory Distribution Payment Event; and

(3) the date such amount becomes due under Condition 9 or on a final and effective Winding-Up of HBT.

Any partial payment of an Optional Distribution or Arrears of Distribution, as the case may be, by the Issuer shall be shared by the Perpetual Securityholders of all outstanding Perpetual Securities on a *pro-rata* basis.

(f) No Default

Notwithstanding any other provision in these Conditions, the non-payment of any distribution payment in accordance with this Condition 4(IV) shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 9) on the part of the Issuer under the Perpetual Securities.

5. REDEMPTION AND PURCHASE

(a) No Fixed Redemption Date

The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 9) only have the right (but not the obligation) to redeem or purchase them in accordance with the following provisions of this Condition 5.

(b) Redemption at the Option of the Issuer

(i) If so provided hereon, the Issuer may, at its option, redeem the Perpetual Securities in whole, but not in part, on the First Call Date (as specified hereon) or on any Distribution Payment Date thereafter at their principal amount, together with the distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued from (and including) the immediately

preceding Distribution Payment Date to (but excluding) the date fixed for redemption, on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable). Upon the expiry of any such notice as is referred to in this Condition 5(b)(i), the Issuer shall be bound to redeem the Securities in accordance with this Condition 5(b)(i).

(ii) If so provided hereon, the Issuer may, on giving irrevocable notice to the Perpetual Securityholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption.

All Perpetual Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 5(b).

In the case of a partial redemption of the Perpetual Securities, the notice to Perpetual Securityholders shall also contain the certificate numbers of the Bearer Perpetual Securities or, in the case of Registered Perpetual Securities, shall specify the principal amount of Registered Perpetual Securities drawn and the holder(s) of such Registered Perpetual Securities, to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Perpetual Securities are listed on any Stock Exchange (as defined in the Trust Deed), the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of such Perpetual Securities.

(c) Redemption for Taxation Reasons

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if:

(i) the Issuer receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that:

(1) the Perpetual Securities will not be regarded as "debt securities" for the purposes of Section 43H(4) of the Income Tax Act 1947 of Singapore ("**ITA**") and Regulation 2 of the Income Tax (Qualifying Debt Securities) Regulations; or

(2) the distributions (including any Optional Distributions, Arrears of Distribution, and Additional Distribution Amount) will not be regarded as interest payable by the Issuer for the purposes of the withholding tax exemption on interest for "qualifying debt securities" under the ITA; or

(ii) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of (1) any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax; or (2) any change in, or amendment to, the application or official interpretation of any such laws, regulations, rulings or other administrative pronouncements (including the enactment of any legislation and publication of any judicial decision or regulatory determination), in each case which change or amendment is enacted, promulgated, issued or becomes effective on or after the Issue Date or (3) any generally applicable official interpretation or pronouncement that provides for a position with respect to such laws or regulations or administrative pronouncements promulgated thereunder that differs from the previous generally accepted position which is issued or announced on or after the Issue Date, and such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.

Prior to the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver to the Trustee and the Issuing and Paying Agent:

(A) a certificate signed by a director or the duly authorised signatory(ies) of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and

(B) in the case of a notice of redemption pursuant to Condition 5(c)(i), a copy of the ruling from the Comptroller of Income Tax in Singapore (or other relevant authority) to such effect as stated in Condition 5(c)(i) or, in the case of a notice of redemption pursuant to Condition 5(c)(ii), an opinion of independent legal, tax or any other professional advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment,

and the Trustee and the Issuing and Paying Agent shall be entitled to accept such certificate, and ruling or opinion (as the case may be) as conclusive evidence of the satisfaction of the conditions precedent set out above without further enquiry and without liability to the Issuer, any Perpetual Securityholder or any other person, in which event it shall be conclusive and binding on the Perpetual Securityholders.

Upon the expiry of any such notice as is referred to in this Condition 5(c), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(c).

(d) Redemption for Accounting Reasons

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date

fixed for redemption) if, on such Distribution Payment Date or at any time after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards (International) issued by the Singapore Accounting Standards Council, as amended from time to time (the "**SFRS(I)**") or any other accounting standards that may replace SFRS(I) for the purposes of the consolidated financial statements of HBT (the "**Relevant Accounting Standard**"), the Perpetual Securities will not or will no longer be recorded as "equity" of HBT pursuant to the Relevant Accounting Standard.

Prior to the publication of any notice of redemption pursuant to this Condition 5(d), the Issuer shall deliver to the Trustee and the Issuing and Paying Agent:

(i) a certificate signed by a director or the duly authorised signatory(ies) of the Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances; and

(ii) an opinion of the Issuer's independent auditors stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the Relevant Accounting Standard has taken effect or is due to take effect,

and the Trustee and the Issuing and Paying Agent shall be entitled to accept such certificate and opinion as conclusive evidence of the satisfaction of the conditions precedent set out above without further enquiry and without liability to the Issuer, any Perpetual Securityholder or any other person, in which event it shall be conclusive and binding on the Perpetual Securityholders.

Upon the expiry of any such notice as is referred to in this Condition 5(d), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(d).

(e) Redemption for Tax Deductibility

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption):

(i) if the Issuer satisfies the Trustee immediately before giving such notice that, as a result of:

(1) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective on or after the Issue Date;

(2) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or

(3) any generally applicable official interpretation or pronouncement which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position which is issued or announced before the Issue Date,

payments by the Issuer which would otherwise have been deductible to HBT, are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, fully deductible by HBT for Singapore income tax purposes; or

(ii) if the Issuer receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that the distributions (including any Optional Distributions, Arrears of Distribution, and Additional Distribution Amount) will not be regarded as sums "payable by way of interest upon any money borrowed" for the purposes of Section 14(1)(a) of the ITA.

Prior to the publication of any notice of redemption pursuant to this Condition 5(e), the Issuer shall deliver or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

(A) a certificate signed by a director or the duly authorised signatory(ies) of the Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances; and

(B) in the case of a notice of redemption pursuant to Condition 5(e)(i), an opinion of the Issuer's independent tax or legal adviser of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change, amendment, interpretation or pronouncement has taken effect or is due to take effect or, in the case of a notice of redemption pursuant to Condition 5(e)(ii), a copy of the ruling from the Comptroller of Income Tax in Singapore (or other relevant authority) to such effect as stated in Condition 5(e)(ii),

and the Trustee and the Issuing and Paying Agent shall be entitled to accept such certificate and opinion or ruling (as the case may be) as conclusive evidence of the satisfaction of the conditions precedent set out above without further enquiry and without liability to the Issuer, any Perpetual Securityholder or any other person, in which event it shall be conclusive and binding on the Perpetual Securityholders.

Upon the expiry of any such notice as is referred to in this Condition 5(e), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(e).

(f) Redemption upon a Regulatory Event

If so provided hereon, and only where the Issuer is subject to the Property Funds Appendix or such equivalent regulation for business trusts generally, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if as a result of any change in, or amendment to, the Property Funds Appendix or such equivalent regulation for business trusts generally, or any change in the application or official interpretation of the Property Funds Appendix or such equivalent regulation for business trusts generally, the Perpetual Securities count or will count towards the percentage limit as property

funds may from time to time be permitted under the Property Funds Appendix or such equivalent regulation for business trusts generally, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Perpetual Securities will count towards the percentage limit.

Prior to the publication of any notice of redemption pursuant to this Condition 5(f), the Issuer shall deliver, or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

(i) a certificate signed by a director or the duly authorised signatory(ies) of the Issuer stating that the Issuer is entitled to effect such redemption and setting out the details of such circumstances; and

(ii) an opinion of independent legal or any other professional advisers of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to, or change in application or interpretation of, the Property Funds Appendix or such equivalent regulation for business trusts generally, took, or is due to take, effect,

and the Trustee and the Issuing and Paying Agent shall be entitled to accept such certificate and opinion as conclusive evidence of the satisfaction of the conditions precedent set out above without further enquiry and without liability to the Issuer, any Perpetual Securityholder or any other person, in which event it shall be conclusive and binding on the Perpetual Securityholders.

Upon the expiry of any such notice as is referred to in this Condition 5(f), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(f).

For the purposes of this Condition 5(f):

"**Property Funds Appendix**" means Appendix 6 to the Code of Collective Investment Schemes issued by the Monetary Authority of Singapore in relation to real estate investment trusts.

(g) Redemption upon a Ratings Event

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if as of the date fixed for redemption, an amendment, clarification or change has occurred, or will in the Distribution Payment Period immediately following the date fixed for redemption occur, in the equity credit criteria, guidelines or methodology of any Rating Agency (as defined below) requested from time to time by the Issuer to grant an equity credit rating to the Issuer or the Perpetual Securities and, in each case, any of their respective successors to the rating business thereof, which amendment, clarification or change results or will result in a lower equity credit for the Perpetual Securities than the equity credit assigned on the Issue Date or, if equity credit is not assigned on the Issue Date, at the date when equity credit is assigned for the first time.

Prior to the publication of any notice of redemption pursuant to this Condition 5(g), the Issuer shall deliver, or procure that there is delivered to the Trustee and the Issuing and Paying Agent a certificate signed by a director or the duly authorised signatory(ies) of the Issuer stating that the Issuer is entitled to effect such redemption and setting out the details of such circumstances, and the Trustee and the Issuing and Paying Agent shall be entitled to accept such certificate as conclusive evidence of the satisfaction of the conditions precedent set out above without further enquiry and without liability to the Issuer, any Perpetual Securityholder or any other person, in which event it shall be conclusive and binding on the Perpetual Securityholders.

Upon the expiry of any such notice as is referred to in this Condition 5(g), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(g).

For the purposes of this Condition 5(g), "**Rating Agency**" means (a) Fitch, Ratings Inc., (b) Moody's Investors Service, Inc., and (c) Standard & Poor's Rating Services, or any of their respective successors.

(h) Redemption in the case of Minimal Outstanding Amount

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Optional Distribution, Arrears of Distribution, and Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 20 per cent. of the aggregate principal amount originally issued.

Upon the expiry of any such notice as is referred to in this Condition 5(h), the Issuer shall be bound to redeem all the Perpetual Securities in accordance with this Condition 5(h).

(i) Redemption upon Cessation or Suspension of Trading of Units

If so provided in the terms of the relevant Perpetual Security, in the event that (1) the units of HBT (as part of the stapled securities of CDL Hospitality Trusts or otherwise) cease to be listed and/or traded on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") or (2) trading in the units of HBT (as part of the stapled securities of CDL Hospitality Trusts or otherwise) on the SGX-ST is suspended for a continuous period exceeding 10 consecutive market days (each, a "**Cessation or Suspension of Trading Event**"), the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Optional Distribution, Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), following the occurrence of a Cessation or Suspension of Trading Event. The Issuer shall forthwith (and in any event not later than seven days after the Effective Date) notify the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders of such Cessation or Suspension of Trading Event.

Upon the expiry of any such notice to redeem the Perpetual Securities as is referred to in this Condition 5(i), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(i).

For the purposes of this Condition 5(i):

"**Effective Date**" means (in the case of (1) above) the date of cessation of listing and/or trading or (in the case of (2) above) the business day immediately following the expiry of such continuous period of 10 consecutive market days; and

"**market day**" means a day on which the SGX-ST is open for securities trading.

(j) Purchases

The Issuer or any of its subsidiaries may at any time purchase Perpetual Securities at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is in compliance with all relevant laws, regulations and directives.

Perpetual Securities purchased by the Issuer or any of its subsidiaries may be surrendered by the purchaser through the Issuer to, in the case of Bearer Perpetual Securities, the Issuing and Paying Agent and, in the case of Registered Perpetual Securities, the Registrar for cancellation or may at the option of the Issuer or any of its subsidiaries (as the case may be) be held or resold.

For the purposes of these Conditions, "**directive**" includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(k) Cancellation

All Perpetual Securities purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Perpetual Securities, by surrendering each such Perpetual Security together with all unmatured Coupons and unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Perpetual Securities, by surrendering the Certificate representing such Perpetual Securities to the Registrar, and in each case, if so surrendered, shall, together with all Perpetual Securities redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Perpetual Securities or Certificates so surrendered for cancellation may not be reissued or resold.

6. PAYMENTS

(a) Principal and Distribution in respect of Bearer Perpetual Securities

Payments of principal and distribution in respect of Bearer Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Perpetual Securities or Coupons, as the case may be, at the specified office of any Issuing and Paying Agent by transfer to an account maintained by the holder in that currency with a bank in the principal financial centre for that currency.

(b) Principal and Distribution in respect of Registered Perpetual Securities

(i) Payments of principal in respect of Registered Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 6(b)(ii).

(ii) Distribution on Registered Perpetual Securities shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "Record Date"). Payments of distribution on each Registered Perpetual Security shall be made by transfer to an account maintained by the holder in that currency with a bank in the principal financial centre for that currency.

(c) Payments Subject to Law etc.

Without prejudice to the provisions of Condition 7, all payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law, regulation or directive implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Perpetual Securityholders or Couponholders in respect of such payments.

(d) Appointment of Agents

The Issuing and Paying Agent, Registrar, Transfer Agent and Calculation Agent initially appointed by the Issuer and their specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and the Paying Agent, Registrar, Transfer Agent and/or the Calculation Agent in accordance with the terms of the Agency Agreement and to appoint additional or other Agents, provided that it will at all times maintain (i) an Issuing and Paying Agent, (ii) a Transfer Agent in relation to Registered Perpetual Securities, (iii) a Registrar in relation to Registered Perpetual Securities and (iv) a Calculation Agent where the Conditions so require. Any such appointment shall be binding on the Perpetual Securityholders and Couponholders.

Notice of any such change or any change of any specified office will promptly be given to the Perpetual Securityholders in accordance with Condition 14.

The Agency Agreement may be amended by the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee, without the consent or sanction of any holder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein of a formal, minor or technical nature, to correct a manifest error or to comply with mandatory provisions of Singapore law or which is required by Euroclear and/or Clearstream, Luxembourg, CDP and/or any other clearing system in which the Perpetual Securities may be held or in any manner which the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee may mutually deem necessary or desirable and which does not, in the reasonable opinion of the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Trustee, adversely affect the interests of the holders. Such amendment shall be binding on the Perpetual Securityholders and Couponholders.

(e) Unmatured Coupons and Unexchanged Talons

(i) Bearer Perpetual Securities which comprise Fixed Rate Perpetual Securities should be surrendered for payment together with all unmatured Coupons and unexchanged Talons (if any) relating to such Perpetual Securities, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within the prescription period relating thereto under Condition 8.

(ii) Subject to the provisions of the relevant Pricing Supplement, upon the due date for redemption of any Bearer Perpetual Security comprising a Floating Rate Perpetual Security, unmatured Coupons relating to such Perpetual Security (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Perpetual Security, any unexchanged Talon relating to such Perpetual Security (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Where any Bearer Perpetual Security comprising a Floating Rate Perpetual Security is presented for redemption without all unmatured Coupons, and where any Bearer Perpetual Security is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption or repayment of any Perpetual Security is not a due date for payment of distribution, distribution accrued from the preceding due date for payment of distribution or the Distribution Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Perpetual Security or Certificate.

(f) Talons

On or after the Distribution Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Perpetual Security, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

(g) Non-business days

Subject as provided in the relevant Pricing Supplement and/or in these Conditions, if any date for the payment in respect of any Perpetual Security or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further distribution or other payment in respect of any such delay.

7. TAXATION

(a) No deduction or withholding

All payments in respect of the Perpetual Securities and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in the receipt by the Perpetual Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Perpetual Security or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

(i) by or on behalf of a holder who is subject to such Taxes by reason of his being connected with Singapore otherwise than by reason only of the holding of such Perpetual Security or Coupon or the receipt of any sums due in respect of such Perpetual Security or Coupon (including, without limitation, the holder being (1) a resident in Singapore for tax purposes or (2) a non-resident of Singapore who has been granted an exemption by the Inland Revenue Authority of Singapore in respect of the requirement to withhold tax on payments made to it);

(ii) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or

(iii) by or on behalf of a holder who would be able to lawfully avoid (but has not so avoided) such deduction or withholding by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence but fails to do so.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any additional amount or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretation thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

(b) Interpretation

As used in these Conditions, "**Relevant Date**" in respect of any Perpetual Security or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Perpetual Securityholders in accordance with Condition 14 that, upon further presentation of the Perpetual Security (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to "**principal**" shall be deemed to include any premium payable in respect of the Perpetual Securities, all Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5, "**distribution**" shall be deemed to include

all Distribution Amounts and all other amounts payable pursuant to Condition 4 and any reference to "**principal**" and/or "**premium**" and/or "**Redemption Amounts**" and/or "**distribution**" shall be deemed to include any additional amounts which may be payable under these Conditions.

8. PRESCRIPTION

Claims against the Issuer for payment in respect of the Perpetual Securities and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within five (5) years from the appropriate Relevant Date for payment.

9. NON-PAYMENT

(a) Non-payment when due

Notwithstanding any of the provisions below in this Condition 9, the right to institute proceedings for Winding-Up of HBT is limited to circumstances set out in Condition 9(b). In the case of any distribution, such distribution will not be due if the Issuer has elected not to pay that distribution in accordance with Condition 4(IV). In addition, nothing in this Condition 9, including any restriction on commencing proceedings, shall in any way restrict or limit the rights of the Trustee or any of its directors, officers, employees or agents to claim from or to otherwise take any action against the Issuer in respect of any costs, charges, fees, expenses or liabilities incurred by such party pursuant to or in connection with the Perpetual Securities or the Trust Deed.

(b) Proceedings for Winding-Up

If (i) a final and effective order is made or an effective resolution is passed for the Winding-Up of HBT, or (ii) the Issuer does not pay any sum payable by it under the Perpetual Securities when due and, such default continues for a period of 15 business days after the due date (each, an "**Enforcement Event**"), the Issuer shall be deemed to be in default under the Trust Deed and the Perpetual Securities and the Trustee may, subject to the provisions of Condition 9(d), institute proceedings for the Winding-Up of HBT and/or prove in the Winding-Up of HBT and/or claim in the liquidation of HBT for such payment.

(c) Enforcement

Without prejudice to Condition 9(b) but subject to the provisions of Condition 9(d), the Trustee may but shall not be obliged to and without further notice to the Issuer, the Perpetual Securityholders or Couponholder, institute such proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Perpetual Securities, Coupons or the Trust Deed, as the case may be, (other than any payment obligation of the Issuer under or arising from the Perpetual Securities or the Trust Deed, including, without limitation, payment of any principal or premium or satisfaction of any distributions (including any damages awarded for breach of any obligations)) and in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

(d) Entitlement of Trustee

The Trustee may, but shall not be obliged to take any of the actions referred to in Condition 9(b) or Condition 9(c) against the Issuer to enforce the performance by the Issuer of any of the provisions of the Trust Deed or the Perpetual Securities or Coupons unless (i) it shall have been so directed by an Extraordinary Resolution of the Perpetual Securityholders or so requested in writing by Perpetual Securityholders holding not less than 30 per cent. in principal amount of the Perpetual Securities outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, claims, demands and liabilities to which in its opinion it may thereby become liable and all costs, charges, damages and expenses which may be incurred by it in connection therewith.

(e) Right of Perpetual Securityholders or Couponholder

No Perpetual Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the Winding-Up, or claim in the liquidation of, HBT or to prove in such Winding-Up unless the Trustee, having become so bound to proceed or being able to prove in such Winding-Up or claim in such liquidation, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing, in which case the Perpetual Securityholder or Couponholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise as set out in this Condition 9.

(f) Extent of Perpetual Securityholders' remedy

No remedy against the Issuer, other than as referred to in this Condition 9, shall be available to the Trustee or the Perpetual Securityholders or Couponholders, whether for the recovery of amounts owing in respect of the Trust Deed or the Perpetual Securities (as applicable) or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Trust Deed or the Perpetual Securities (as applicable).

(g) Damages subject to Subordination

If any court awards money, damages or other restitution for any default with respect to the performance by the Issuer of its obligations contained in the Trust Deed and the Perpetual Securities, the payment of such moneys, damages or other restitution shall be subject to the subordination provisions set out in these Conditions and Clause 2.3 of the Trust Deed.

10. MEETING OF PERPETUAL SECURITYHOLDERS AND MODIFICATIONS

The Trust Deed contains provisions for convening meetings of Perpetual Securityholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Perpetual Securities of such Series (including these Conditions insofar as the same may apply to such Perpetual Securities) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee (subject to it being indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, liabilities, costs, claims and demands to which in its opinion it may render itself liable and all costs, charges, damages and expenses which it may incur by so doing) upon the request in writing by Perpetual Securityholders holding not less than 10 per cent. in principal amount of the Perpetual Securities of any Series for the time being outstanding shall, convene a meeting of the Perpetual Securityholders of that Series. An Extraordinary Resolution duly

passed at any such meeting shall be binding on all the Perpetual Securityholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (i) to amend the dates of redemption of the Perpetual Securities or any date for payment of distribution or Distribution Amounts on the Perpetual Securities, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Perpetual Securities, (iii) to reduce the rate or rates of distribution in respect of the Perpetual Securities or to vary the method or basis of calculating the rate or rates of distribution or the basis for calculating any Distribution Amount in respect of the Perpetual Securities, (iv) to vary any method of, or basis for, calculating the Redemption Amount, (v) to vary the currency or currencies of payment or denomination of the Perpetual Securities, (vi) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (vii) to modify the provisions concerning the quorum required at any meeting of Perpetual Securityholders or the majority required to pass the Extraordinary Resolution, or (viii) to amend the subordination provisions of the Perpetual Securities, will only be binding if passed at a meeting of the Perpetual Securityholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

Any application of a Successor Rate, Alternative Rate, an Adjustment Spread or any rate determined in accordance with Condition 4(II)(b)(ii)(1)(F), as the case may be, and any related Benchmark Amendments shall not constitute a matter which is required to be approved by an Extraordinary Resolution.

The Trustee may agree, without the consent of the Perpetual Securityholders or Couponholders, to (i) any modification of any provisions of the Trust Deed or any of the Transaction Documents which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with the mandatory provisions of Singapore law or is required by Euroclear and/or Clearstream, Luxembourg and/or CDP and/or any other clearing system in which the Perpetual Securities may be held and (ii) any modification (except as mentioned in the Trust Deed) to the Trust Deed and any of the other Transaction Documents, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any of the other Transaction Documents, which is in the opinion of the Trustee not materially prejudicial to the interests of the Perpetual Securityholders. Any such modification, authorisation or waiver shall be binding on the Perpetual Securityholders and the Couponholders and, if the Trustee so requires, such modification, authorisation or waiver shall be notified to the Perpetual Securityholders as soon as practicable.

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, waiver or authorisation) the Trustee shall have regard to the interests of the Perpetual Securityholders as a class and shall not have regard to the consequences of such exercise for individual Perpetual Securityholders or Couponholders. No Perpetual Securityholder shall be entitled to claim from the Issuer or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Perpetual Securityholder except to the extent already provided for in Condition 7.

These Conditions may be amended, modified, or varied in relation to any Series of Perpetual Securities by the terms of the relevant Pricing Supplement in relation to such Series.

For the purpose of ascertaining the right to attend and vote at any meeting of the Perpetual Securityholders convened for the purpose of and in relation to Clauses 9.2(d) and 25 of the Trust Deed, Schedule 11 to the Trust Deed and Conditions 9 and 10 of the Perpetual Securities, those Perpetual Securities (if any) which are beneficially held by, or are held on behalf of the Issuer and any of its subsidiaries and not cancelled shall (unless and until ceasing to be so held) be disregarded when determining whether the requisite quorum of such meeting has been met and any votes cast or purported to be cast at such meeting in respect of such Perpetual Securities shall be disregarded and be null and void.

11. REPLACEMENT OF PERPETUAL SECURITIES, CERTIFICATES, COUPONS AND TALONS

If a Perpetual Security, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Perpetual Securities, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Issuing and Paying Agent or, as the case may be, Transfer Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Perpetual Securityholders in accordance with Condition 14, on payment by the claimant of the costs, expenses and duties incurred in connection therewith and on such terms as to evidence, undertaking, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Perpetual Security, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Perpetual Security, Certificate, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Perpetual Securities, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

12. FURTHER ISSUES

The Issuer may from time to time without the consent of the Perpetual Securityholders or Couponholders create and issue further perpetual securities having the same terms and conditions as the Perpetual Securities of any Series and so that the same shall be consolidated and form a single Series with such Perpetual Securities, and references in these Conditions to "**Perpetual Securities**" shall be construed accordingly.

13. PROVISIONS RELATING TO THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment and from taking action to convene meetings unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee or any corporation related to it (or any director, officer or employee of the Trustee or any company or person in any other way associated with the Trustee) is entitled, *inter alia*, to enter into transactions with the Issuer (or any of its related corporations) in the ordinary course of business or in connection with the Perpetual Securities or the Coupons or the Talons or which it could have entered into had it not been a trustee of the Trust Deed, and to act as trustee of the holders of any other securities issued by the Issuer (or any of its related corporations), and to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Trust Deed also provides that the Trustee will not be liable to the Perpetual Securityholders and/or Couponholders for, *inter alia*, any action taken or omitted by it except where the Trustee's gross negligence, wilful default or fraud was the direct cause of any loss to the Perpetual Securityholders, and that each Perpetual Securityholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and the Trustee shall not at any time have any responsibility for the same and each Perpetual Securityholder shall not rely on the Trustee in respect thereof.

14. NOTICES

Notices to the holders of Registered Perpetual Securities shall be valid if mailed to them at their respective addresses in the Register and shall be deemed to have been given two days after the date of mailing. Notwithstanding the foregoing, notices to the holders of the Perpetual Securities shall be valid if (a) published in a daily newspaper of general circulation in Singapore (it is expected that such publication will be made in The Business Times) or (b) an announcement is made through the internet-based submission system operated by the SGX-ST. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper or internet-based submission system as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Perpetual Securities in accordance with this Condition 14. Notices to the holders of Perpetual Securities shall be in English language.

So long as the Perpetual Securities are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg, CDP, or any other clearing system, there may be substituted for such publication in such newspapers, delivery to the Perpetual Securityholders or announcement through the internet-based submission system operated by the SGX-ST, the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg, (subject to the agreement of CDP) CDP or, as the case may be, such other clearing system, for communication by it to the Perpetual Securityholders, except that if the Perpetual Securities are listed on the SGX-ST and the rules of such exchange so require or permit, notice will (unless waived by such exchange) in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Perpetual Securityholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or CDP.

Notices to be given by any Perpetual Securityholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relevant Perpetual Security or Perpetual Securities, with the Issuing and Paying Agent (in the case of Bearer Perpetual Securities) or the Registrar (in the case of Certificates). Whilst the Perpetual Securities are represented by a Global Security or a Global Certificate, such notice may be given by any Perpetual Securityholder to the Issuing and Paying Agent or, as the case may be, the Registrar through Euroclear, Clearstream, Luxembourg and/or CDP in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar and Euroclear, Clearstream, Luxembourg and/or CDP may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identities and addresses of all the Perpetual Securityholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given two days from the date of despatch to the Perpetual Securityholders.

15. LIMITATION OF LIABILITY OF THE HBT TRUSTEE-MANAGER

(a) Notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities or the Coupons, the Trustee, the Perpetual Securityholders and the Couponholders agree and acknowledge that M&C Business Trust Management Limited has entered into the Trust Deed only in its capacity as trustee-manager of HBT and not in its personal capacity and all references to (i) the "HBT Trustee-Manager" or the "Issuer" shall be construed accordingly. As such, notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities or the Coupons, M&C Business Trust Management Limited has assumed all obligations under the Trust Deed, the Perpetual Securities or the Coupons solely in its capacity as trustee-manager of HBT and not in its personal capacity and any liability of or indemnity, covenant, undertaking, representation and/or warranty given or to be given by the HBT Trustee-Manager under the Trust Deed, the Perpetual Securities or the Coupons is given by M&C Business Trust Management Limited in its capacity as trustee-manager of HBT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent and/or delegate is limited to the assets of HBT over which M&C Business Trust Management Limited in its capacity as trustee-manager of HBT has recourse and shall not extend to any personal assets of M&C Business Trust Management Limited or any assets held by M&C Business Trust Management Limited in its capacity as trustee-manager of any other trust. Any obligation, matter, act, action or thing required to be done, performed or undertaken by the HBT Trustee-Manager under the Trust Deed, the Perpetual Securities or the Coupons shall only be in connection with matters relating to HBT (and shall not extend to the obligations of M&C Business Trust Management Limited in respect of any other trust or business trust of which it is trustee-manager). The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the HBT Trustee-Manager.

(b) Notwithstanding any provision to the contrary in the Trust Deed, the Perpetual Securities and the Coupons, it is hereby acknowledged and agreed that the HBT Trustee-Manager's obligations under the Trust Deed, the Perpetual Securities and the Coupons will be solely the corporate obligations of M&C Business Trust Management Limited in its capacity as trustee-manager of HBT and there shall be no recourse against the shareholders, directors, officers or employees of M&C Business Trust Management Limited for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of the Trust Deed, the Perpetual Securities or the Coupons. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the HBT Trustee-Manager.

(c) For the avoidance of doubt, any legal action or proceedings commenced against the HBT Trustee-Manager whether in Singapore or elsewhere pursuant to the Trust Deed, the Perpetual Securities and the Coupons shall be brought against M&C Business Trust Management Limited only in its capacity as trustee-manager for HBT and not in its personal capacity. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Perpetual Securityholders and the Couponholders from any gross negligence, fraud, wilful default or breach of trust of the HBT Trustee-Manager.

(d) This Condition 15 shall survive the termination or rescission of the Trust Deed, the Perpetual Securities, the Coupons or the Talons.

(e) The provisions of this Condition 15 shall apply, *mutatis mutandis*, to any notices, certificates or other documents which the HBT Trustee-Manager issues under or pursuant to the Perpetual Securities and any documents in connection therewith as if expressly set out in such notice, certificate or document.

16. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person shall have any right under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce or enjoy the benefit of any term or condition of this Perpetual Security.

17. GOVERNING LAW AND JURISDICTION

(a) Governing Law

The Trust Deed, the Perpetual Securities, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of Singapore.

(b) Jurisdiction

The courts of Singapore are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, any Perpetual Securities, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, Perpetual Securities, Coupons or Talons may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

CDL HOSPITALITY TRUSTS

1. OVERVIEW

CDLHT is a stapled group comprising H-REIT, the first hotel real estate investment trust in Singapore, and HBT, a business trust.

CDLHT is one of Asia's leading hospitality trusts with assets under management of S$3.5 billion as at 30 September 2025 and market capitalisation of S$1.0 billion as at the Latest Practicable Date. CDLHT was listed on the SGX-ST on 19 July 2006. M&C REIT Management Limited is the manager of H-REIT, and M&C Business Trust Management Limited is the trustee-manager of HBT.

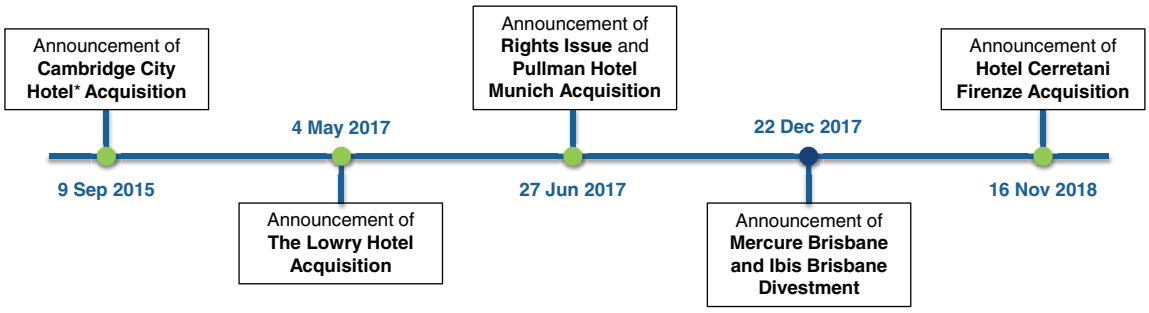
CDLHT's principal investment strategy is to invest in a diversified portfolio of real estate which is or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes globally.

CDLHT was first established with the principal investment strategy to invest in hospitality and/or hospitality-related real estate assets. In 2021, the investment strategy was expanded to include investment in real estate used for other accommodation and/or lodging purposes (including, without limitation, other lodging facilities and properties used for rental housing, co-living, student accommodation and senior housing). With a broader investment strategy, CDLHT's portfolio today comprises both hotels and living assets. The two living assets consist of a residential BTR property (The Castings) situated in Manchester as well as a PBSA asset (Benson Yard) situated in Liverpool.

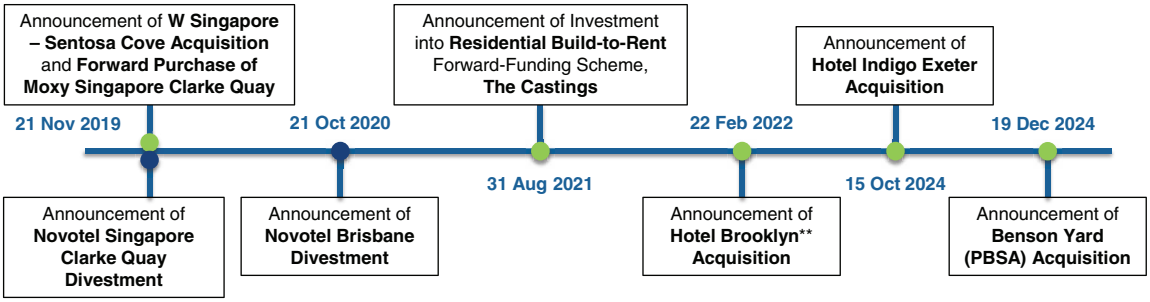
As of the Latest Practicable Date, CDLHT owns 22 properties across eight countries, with a total of 4,924 hotel rooms, 352 BTR apartments, 404 PBSA beds and a retail mall. The portfolio comprises six hotels and a retail mall in Singapore, two hotels in Australia, one hotel in New Zealand, two hotels in Japan, four hotels and two living assets in the UK, one hotel in Germany, one hotel in Italy and two resorts in the Maldives. The substantial value of its assets is concentrated in central locations of Singapore.

In terms of future pipeline, CDLHT has entered into a turnkey, forward purchase arrangement for a lifestyle hotel, Moxy Singapore Clarke Quay, with a subsidiary of CDL under a conditional development and sale agreement in November 2019, with the development expected to achieve Temporary Occupation Permit ("**TOP**") in end 2026 (date subject to change). Upon successful completion of the acquisition, CDLHT's Singapore portfolio will expand from 2,555 to 3,030 hotel rooms. The total number of hotel rooms for the portfolio will increase to 5,399.

Key Transactions in the Last 10 Years

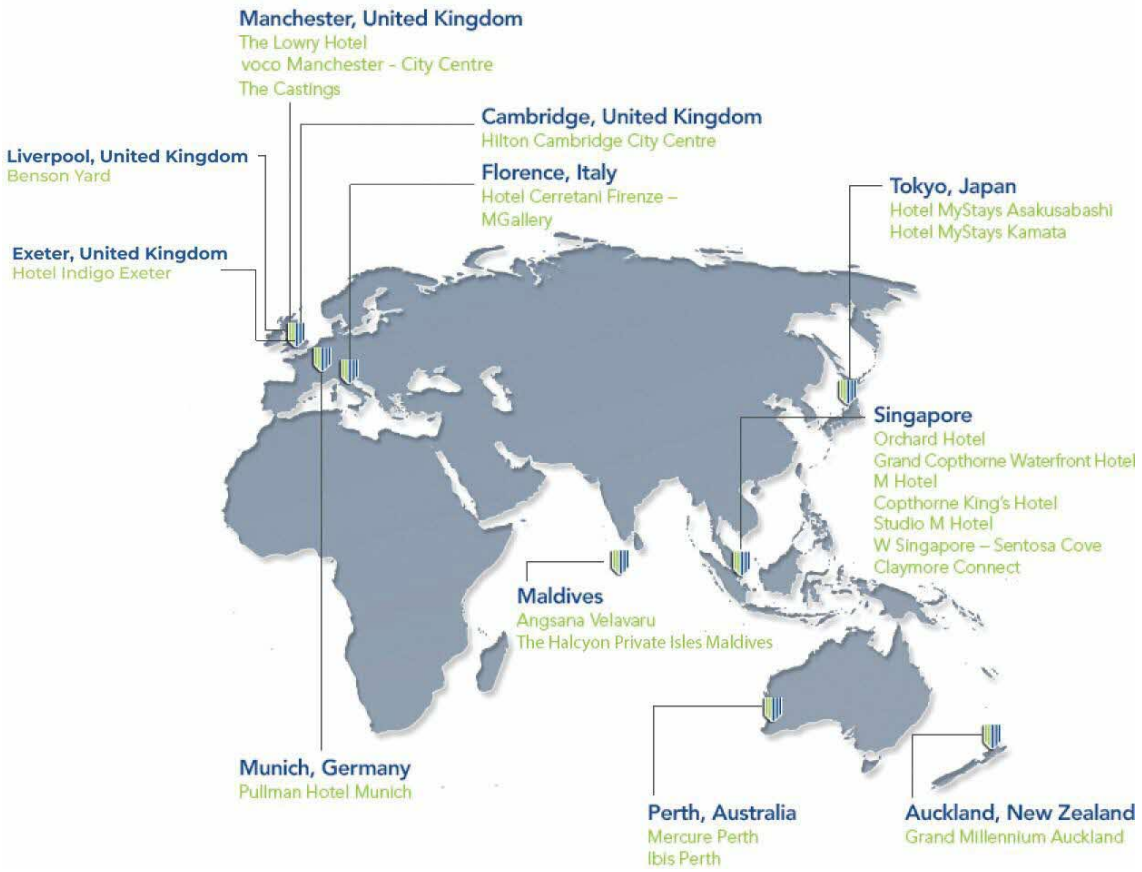


*Now known as Hilton Cambridge City Centre



**Now known as voco Manchester – City Centre

Geographical Presence as at the Latest Practicable Date



The hotel portfolio is operated by lessees and/or hotel managers, which include international hotel management companies such as Millennium Hotels and Resorts, AccorHotels, Marriott International, Inc. and Hilton Worldwide Inc. or white label hotel management companies such as EVENT Hotels and Michels & Taylor. For the living assets, The Castings (BTR) is operated by Native Residential Limited, a UK build-to-rent specialist, while Benson Yard (PBSA) is operated by Fresh Property Group Limited, one of the UK's largest student accommodation operators with extensive sector expertise.

CDLHT's portfolio of quality hotels in Singapore, Australia and New Zealand are largely marketed as "superior" or five-star hotels and are strategically located in or near the central business districts in key cities or in prime tourist destinations. CDLHT's only retail mall, Claymore Connect, is located in the main shopping belt of Singapore. Hotel MyStays Asakusabashi and Hotel MyStays Kamata are known as business hotels in the local context and are located within close proximity to major transportation networks and tourist attractions in Tokyo.

CDLHT's two resorts in the Maldives, which is a top-tier premium destination, renowned for its exclusive "one-island one-resort" concept, offer guests two distinct experiences with beachfront and overwater villas within each resort.

The hotels in the UK are strategically located in prime city centre locations within Cambridge, Exeter and Manchester, close to major popular tourist attractions. Hilton Cambridge City Centre is an upper upscale hotel in the heart of Cambridge. Hotel Indigo Exeter is an upscale lifestyle boutique hotel in Exeter, right on the city's main retail high street. In Manchester, The Lowry Hotel, a five-star luxury property, offers an elegant riverside experience, while voco Manchester – City Centre is a stylish upscale lifestyle hotel with bold décor and unique design elements.

For the living assets in the UK, The Castings is a residential BTR asset, located in Manchester, Piccadilly East, a rapidly emerging mixed-use neighbourhood offering excellent connectivity and quality urban living. Benson Yard is a PBSA asset situated in a prime central location in Liverpool city centre and within walking distance to the two main universities in Liverpool – the University of Liverpool and Liverpool John Moores University, and is therefore well placed to capture strong student demand.

Beyond the UK, Pullman Hotel Munich, an upscale hotel, is conveniently located near a major business park in Munich, Germany. In Italy, Hotel Cerretani Firenze – MGallery, a four-star hotel, is situated in the heart of Florence's historic city centre.

Sponsorship and Parentage

M&C REIT Management Limited is the manager of H-REIT, and M&C Business Trust Management Limited is the trustee-manager of HBT. The sponsor of CDLHT is Millennium & Copthorne Hotels Limited. The Managers and Sponsor are wholly-owned subsidiaries of CDL.

CDL is a leading global real estate company listed on the SGX-ST, with a network spanning 168 locations in 29 countries and regions and a market capitalisation of approximately S$6.6 billion as at the Latest Practicable Date. Its geographically diverse portfolio comprises residences, offices, hotels, serviced apartments, student accommodation, retail malls and integrated developments.

The Sponsor is a global hotel company that owns, manages and operates over 145 hotels worldwide, many in key gateway cities as at the Latest Practicable Date. Millennium Hotels and Resorts comprises a diverse portfolio of brands including The Biltmore, Grand Millennium, Millennium, M Social, Studio M, M Hotel, Copthorne and Kingsgate. Collectively, these brands serve a broad spectrum of business and leisure travellers across Asia, Europe, the Middle East, New Zealand, and the U.S..

Environmental, Social and Governance (ESG) Recognitions and Hotel Accolades

CDLHT was a joint winner of the prestigious Shareholder Communications Excellence Award (REITs & Business Trusts Category) at the Securities Investors Association (Singapore) Investors' Choice Awards 2024, reflecting its commitment to governance and investor communications. Across the portfolio, CDLHT's assets have earned recognition for their environmental sustainability practices. In Singapore, green certifications achieved by the hotels include the Building and Construction Authority ("**BCA**") Green Mark Platinum and Gold Plus Awards and the Global Sustainable Tourism Council ("**GSTC**") certification. In other regions, notable recognitions include the Qualmark Gold Sustainability Award for Grand Millennium Auckland, the Ecotourism Australia – Sustainable Tourism Award for Mercure Perth, Green Globe Certification for The Halcyon Private Isles Maldives, Autograph Collection[1], and the Green Key Certificate awarded to both Hotel Cerretani Firenze – MGallery and Pullman Hotel Munich. In the UK and Europe, several assets are also certified under the Building Research Establishment Environmental Assessment Methodology ("**BREEAM**"), one of the world's leading sustainability assessment frameworks for buildings. These awards underscore CDLHT's ongoing focus on environmental stewardship, social responsibility, and strong governance practices, aligning its operations with global sustainability benchmarks.

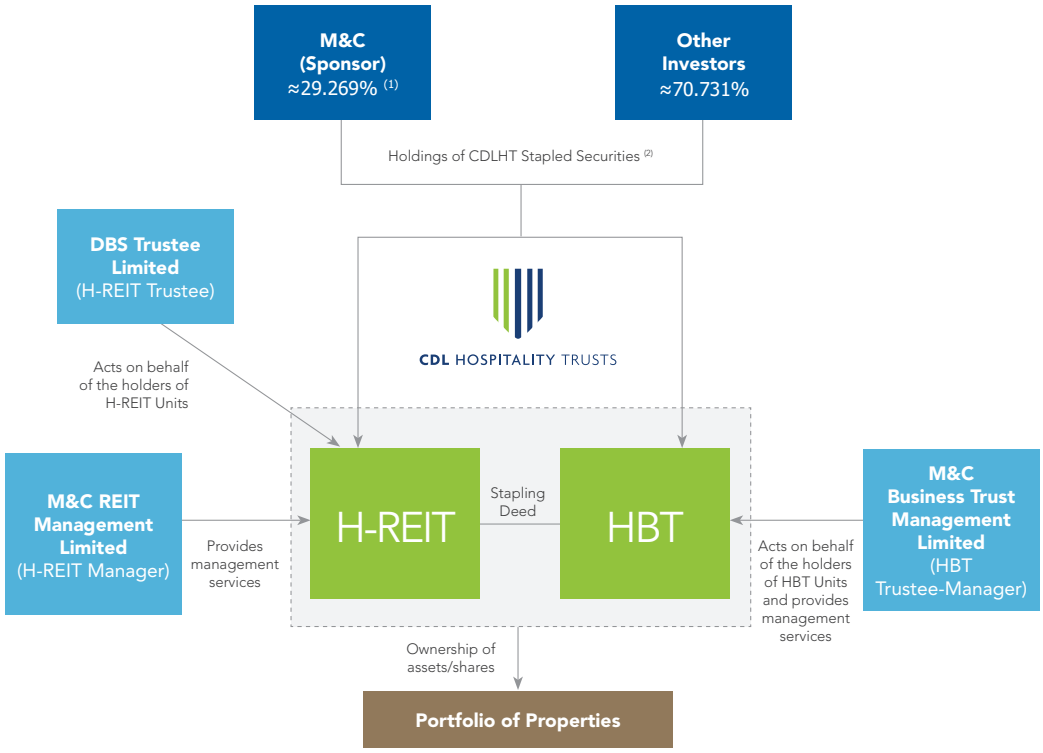
Other notable accolades recently awarded to CDLHT's properties include:

- Orchard Hotel and voco Manchester – City Centre: "Travellers' Choice Awards 2024", TripAdvisor
- W Singapore – Sentosa Cove: "Best Global Luxury Wellness Resort" and "Best Luxury Resort in Singapore", World Luxury Awards 2024
- W Singapore – Sentosa Cove: "Singapore's Leading Resort", World Travel Awards 2024
- Grand Millennium Auckland: "5 stars", Qualmark Assessment 2025
- Angsana Velavaru: "Top 20 Resorts in the Indian Ocean", Condé Nast Traveler Readers' Choice Awards 2024
- The Lowry Hotel: "Leading Hotel of The Year", This is Manchester Awards 2024
- The Castings: "Public Area of the Year", The Brit List Awards 2024

[1] Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.

2. STAPLED STRUCTURE OF CDL HOSPITALITY TRUSTS

The following diagram illustrates the relationship between, among others, H-REIT, HBT, the H-REIT Manager, the H-REIT Trustee, the HBT Trustee-Manager and the Stapled Securityholders.



Notes:

(1) Holdings of Stapled Securities was 29.269% as at the Latest Practicable Date.

(2) CDLHT comprises Stapled Securities with each Stapled Security consisting of a unit in H-REIT and a unit in HBT.

The units in H-REIT and the units in HBT are stapled together under the terms of the Stapling Deed and cannot be traded separately. CDLHT was listed on the Main Board of the SGX-ST on 19 July 2006.

H-REIT is constituted by the H-REIT Trust Deed. It is principally regulated by the SFA, the CIS Code, including the Property Funds Appendix, other relevant legislation and regulations as well as the Stapling Deed and the H-REIT Trust Deed.

HBT is constituted by the HBT Trust Deed. It is principally regulated by the BTA, the SFA, other relevant legislation and regulations as well as the Stapling Deed and the HBT Trust Deed.

(A) THE H-REIT TRUSTEE – DBS TRUSTEE LIMITED

The trustee of H-REIT is DBS Trustee Limited. The H-REIT Trustee is a company incorporated in Singapore and registered as a trust company under the Trust Companies Act 2005 of Singapore. It is approved to act as a trustee for authorised collective investment schemes under the SFA. The H-REIT Trustee has a paid-up share capital of S$2.5 million and has a place of business in Singapore at 12 Marina Boulevard, Marina Bay Financial Centre Tower 3, Singapore 018982.

Powers, Duties and Obligations of the H-REIT Trustee

The H-REIT Trustee's powers, duties and obligations are set out in the H-REIT Trust Deed. The powers and duties of the H-REIT Trustee include:

1. acting as trustee of H-REIT and, in such capacity, safeguarding the rights and interests of the H-REIT Unitholders, for example, by satisfying itself that transactions it enters into for and on behalf of H-REIT with a related party of the H-REIT Manager or H-REIT are conducted on normal commercial terms, are not prejudicial to the interests of H-REIT and the H-REIT Unitholders, and in accordance with all applicable requirements under the Property Funds Appendix and/or the Listing Rules issued by the SGX-ST relating to the transaction in question;

2. holding the assets of H-REIT on trust for the benefit of the H-REIT Unitholders in accordance with the H-REIT Trust Deed;

3. lending moneys out of the H-REIT Deposited Property to any other entity whose securities are stapled with the H-REIT Units, any entity which H-REIT owns an interest (whether directly or indirectly) and any entity which any other entity whose securities are stapled with the H-REIT Units owns an interest (whether directly or indirectly), in each case, in accordance with the H-REIT Trust Deed; and

4. exercising all the powers of a trustee and the powers that are incidental to the ownership of the assets of H-REIT.

The H-REIT Trustee has covenanted in the H-REIT Trust Deed that it will exercise all due care, diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of the H-REIT Unitholders.

In the exercise of its powers, the H-REIT Trustee may (on the recommendation of the H-REIT Manager), subject to the provisions of the H-REIT Trust Deed, acquire or dispose of any real or personal property, as well as borrow and encumber any asset.

The H-REIT Trustee may, subject to the provisions of the H-REIT Trust Deed, appoint and engage:

1. a person or entity to exercise any of its powers or perform its obligations; and

2. any real estate agents or managers, including a related party of the H-REIT Manager, in relation to the management, development, leasing, purchase or sale of any real estate assets and real estate-related assets.

Although the H-REIT Trustee may cause H-REIT to borrow money and obtain other financial accommodation and cause H-REIT to on-lend money to any other entity whose securities are stapled with the H-REIT Units, any entity which H-REIT owns an interest (whether directly or indirectly) and any entity which any other entity whose securities are stapled with the H-REIT Units owns an interest (whether directly or indirectly), both on a secured and unsecured basis, the H-REIT Manager is not allowed to direct the H-REIT Trustee to incur a liability if to do so would mean that the Aggregate Leverage of H-REIT exceeds 50% of the value of the H-REIT Deposited Property at the time the borrowing is incurred, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or

in Stapled Securities). Further, H-REIT should have a minimum interest coverage ratio[2] of 1.5 times after taking into account the interest payment obligations arising from the new borrowings.

The H-REIT Trustee is required to carry out its functions and duties and comply with all the obligations imposed on it as set out in the H-REIT Trust Deed, the Listing Rules issued by the SGX-ST, the SFA, the CIS Code (including the Property Funds Appendix), the Tax Ruling and all other relevant laws. It is required to retain H-REIT's assets, or cause H-REIT's assets to be retained, in safe custody and cause H-REIT's accounts to be audited. It can appoint valuers to value the real estate assets and real estate-related assets of H-REIT.

The H-REIT Trustee is not personally liable to a H-REIT Unitholder in connection with the office of the H-REIT Trustee except in respect of its own fraud, gross negligence, wilful default, breach of trust or breach of the H-REIT Trust Deed. Any liability incurred and any indemnity to be given by the H-REIT Trustee shall be limited to the H-REIT Deposited Property or any part thereof over which the H-REIT Trustee has recourse, provided that the H-REIT Trustee has acted without fraud, gross negligence, wilful default, breach of trust or breach of the H-REIT Trust Deed. The H-REIT Trust Deed contains certain indemnities in favour of the H-REIT Trustee under which it will be indemnified out of the H-REIT Deposited Property for liability arising in connection with certain acts or omissions. These indemnities are subject to any applicable laws.

Retirement and Replacement of the H-REIT Trustee

The H-REIT Trustee may retire or be replaced under the following circumstances:

- the H-REIT Trustee shall not be entitled to retire voluntarily except upon the appointment of a new trustee (such appointment to be made in accordance with the provisions of the H-REIT Trust Deed); and

- the H-REIT Trustee may be removed by notice in writing to the H-REIT Trustee by the H-REIT Manager:

  – if the H-REIT Trustee goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the H-REIT Manager) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the H-REIT Trustee;

  – if the H-REIT Trustee ceases to carry on business;

  – if the H-REIT Trustee fails or neglects after reasonable notice from the H-REIT Manager to carry out or satisfy any material obligation imposed on the H-REIT Trustee by the H-REIT Trust Deed;

  – if the H-REIT Unitholders by Extraordinary Resolution (as defined in the H-REIT Trust Deed) duly passed at a meeting of H-REIT Unitholders held in accordance with the provisions of the H-REIT Trust Deed, and of which not less than 21 days' notice has been given to the H-REIT Trustee and the H-REIT Manager, shall so decide; or if the MAS directs that the H-REIT Trustee be removed.

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[2] "**Interest coverage ratio**" means a ratio that is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months interest expense, borrowing-related fees and distributions on hybrid securities.

(B) THE H-REIT MANAGER

Roles and Responsibilities of the H-REIT Manager

The H-REIT Manager has general powers of management over the assets of H-REIT and its main responsibility is to manage H-REIT's assets and liabilities for the benefit of the H-REIT Unitholders. The H-REIT Manager is responsible for formulating the business plans in relation to H-REIT's properties and in this regard, it works closely with the master lessees and property managers of H-REIT's properties to implement H-REIT's strategies. In addition, the H-REIT Manager sets the strategic direction of H-REIT and gives recommendations to the H-REIT Trustee on acquisitions and divestments of H-REIT's assets in accordance with its stated investment strategies.

The H-REIT Manager may require the H-REIT Trustee to:

(i) while the H-REIT Units and HBT Units are stapled together, lend moneys to any other entity of the stapled Group out of the H-REIT Deposited Property on such terms and conditions as it may determine whenever the H-REIT Manager considers that such lending is necessary or desirable in order to further the interests of the Stapled Securityholders as a whole; and

(ii) borrow or obtain other financial accommodation on behalf of H-REIT (upon such terms and conditions as the H-REIT Manager thinks fit, including the charging or mortgaging of all or any of the H-REIT Deposited Property) whenever the H-REIT Manager considers that such borrowings are necessary or desirable in order to enable the H-REIT Trustee to meet any liabilities under or in connection with H-REIT or with any investment, or that such borrowings are desirable to finance:

- the acquisition of any authorised investment by H-REIT or the redemption of H-REIT Units; or

- the on-lending of moneys to any other entity whose securities are stapled with the H-REIT Units, any entity which H-REIT owns an interest (whether directly or indirectly) and any entity which any other entity whose securities are stapled with the H-REIT Units own an interest (whether directly or indirectly) for the purpose of furthering the interests of Stapled Securityholders as a whole.

Other roles and responsibilities of the H-REIT Manager include using its best endeavours to ensure that the business of H-REIT is carried on and conducted in a proper and efficient manner and to conduct all transactions with or for H-REIT at arm's length and on normal commercial terms.

The H-REIT Manager holds a capital markets services ("**CMS**") licence issued by the MAS to conduct real estate investment trust management activities as required under the licensing regime for real estate investment trust managers. In addition, employees of the H-REIT Manager who are engaged in investments and business development, asset management, financing and investor relations functions are holders of CMS representative licences.

Retirement or Removal of the H-REIT Manager

The H-REIT Manager shall have the power to retire in favour of a corporation approved by the H-REIT Trustee to act as the manager of H-REIT subject to the corporation entering into a deed to secure its performance as the new manager of H-REIT.

Also, the H-REIT Manager may be removed by notice given in writing by the H-REIT Trustee if:

- the H-REIT Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the H-REIT Trustee) or a receiver is appointed over any of its assets or a judicial manager is appointed in respect of the H-REIT Manager;

- the H-REIT Manager ceases to carry on business;

- the H-REIT Manager fails or neglects after reasonable notice from the H-REIT Trustee to carry out or satisfy any material obligation imposed on the H-REIT Manager by the H-REIT Trust Deed;

- the H-REIT Unitholders, by a resolution passed by a simple majority of H-REIT Unitholders present and voting (with no H-REIT Unitholders being disenfranchised) at a meeting of H-REIT Unitholders, duly convened and held in accordance with the provisions of the H-REIT Trust Deed, shall so decide;

- for good and sufficient reason, the H-REIT Trustee is of the opinion, and so states in writing, that a change of the H-REIT Manager is desirable in the interests of the H-REIT Unitholders; or

- the MAS directs the H-REIT Trustee to remove the H-REIT Manager.

(C) THE HBT TRUSTEE – MANAGER

Roles and Responsibilities of the HBT Trustee-Manager

The HBT Trustee-Manager has the dual responsibilities of safeguarding the rights and interests of the HBT Unitholders, and managing the business conducted by HBT. The HBT Trustee-Manager has general powers of management over the assets of HBT and its main responsibility is to manage HBT's assets and liabilities for the benefit of the HBT Unitholders. The HBT Trustee-Manager also sets the strategic direction of HBT.

The HBT Trustee-Manager is also responsible for ensuring that HBT complies with the BTA, the SFA, the Listing Rules issued by the SGX-ST, the licences required in the conduct of the business and all directions, guidelines or requirements. The HBT Trustee-Manager also has the following statutory duties under the BTA:

- to at all times act honestly and exercise reasonable diligence in the discharge of its duties as HBT's trustee-manager in accordance with the BTA and the HBT Trust Deed;

- to act in the best interests of all HBT Unitholders as a whole and give priority to the interests of all HBT Unitholders as a whole over its own interests in the event of a conflict between the interests of all HBT Unitholders as a whole and its own interests;

- not to make improper use of any information acquired by virtue of its position as HBT's trustee-manager to gain, directly or indirectly, an advantage for itself or for any other person to the detriment of the HBT Unitholders; and

- to hold the trust property (as defined in the BTA) on trust for all HBT Unitholders as a whole in accordance with the terms of the HBT Trust Deed.

Powers, Duties and Obligations of the HBT Trustee-Manager

The HBT Trustee-Manager's powers, duties and obligations are set out in the HBT Trust Deed and the BTA. The powers, duties and obligations of the HBT Trustee-Manager include:

(a) holding the assets of HBT on trust for the benefit of the HBT Unitholders in accordance with the HBT Trust Deed; and

(b) doing such other things as may appear to the HBT Trustee-Manager to be incidental to its powers under the HBT Trust Deed.

The HBT Trustee-Manager has covenanted in the HBT Trust Deed that it will use its best endeavours to carry on and conduct its business in a proper and efficient manner in the best interests of the HBT Unitholders as a whole (subject to the overriding best interests of Stapled Securityholders, as permitted under all applicable laws, regulations and guidelines).

In the exercise of its powers, the HBT Trustee-Manager may, subject to the provisions of the HBT Trust Deed, acquire or dispose of any real or personal property, borrow or encumber any asset. In particular, the HBT Trustee-Manager may:

(i) while the H-REIT Units and HBT Units are stapled together, lend moneys to any other entity in the stapled Group out of HBT's trust property whenever the HBT Trustee-Manager considers, among other things, that such lending is necessary or desirable in order to further the interests of the Stapled Securityholders as a whole; and

(ii) borrow on behalf of HBT (upon such terms and conditions as it deems fit, including the charging or mortgaging of all or any part of HBT's property) whenever the HBT Trustee-Manager considers that such borrowings are necessary or desirable in order to enable the HBT Trustee-Manager to meet any liabilities under or in connection with HBT or with any of its assets, or that such borrowings are desirable to finance:

- the acquisition of any authorised investments by HBT; or

- while the H-REIT Units and HBT Units are stapled together, the on-lending of moneys to any other entity in the stapled Group in order to further the interests of the Stapled Securityholders as a whole.

The HBT Trustee-Manager must carry out its functions and duties and comply with all the obligations imposed on it as set out in the HBT Trust Deed, the Listing Rules issued by the SGX-ST, the SFA, the BTA, and all other applicable laws, regulations and guidelines. It must retain HBT's assets, or cause HBT's assets to be retained, in safe custody, and cause HBT's accounts to be audited.

The HBT Trustee-Manager may, subject to the provisions of the HBT Trust Deed, appoint and engage:

(I) a person or entity to exercise any of its powers or perform its obligations; and

(II) any real estate agents or managers, including a Related Party (as defined in the HBT Trust Deed), in relation to the management, development, leasing, purchase or sale of any real estate assets and real estate-related assets.

Retirement or Removal of the HBT Trustee-Manager

The HBT Trustee-Manager may resign or be removed under the following circumstances:

- the HBT Trustee-Manager shall only resign in accordance with the relevant laws, regulations and guidelines and its resignation shall only be upon the appointment of a new trustee-manager (such appointment to be made in accordance with the provisions of the HBT Trust Deed); and

- the HBT Trustee-Manager may be removed in accordance with the relevant laws, regulations and guidelines.

(D) THE H-REIT MANAGER BOARD AND THE HBT TRUSTEE-MANAGER BOARD

Both the boards of H-REIT Manager and the HBT Trustee-Manager (the "**Managers' Boards**") are responsible for the overall corporate governance of the Managers respectively, including establishing goals for management and monitoring the achievement of these goals (for the benefit of unitholders). The Managers' Boards are also responsible for setting strategic business objectives and direction as well as the risk management of H-REIT and HBT, and to ensure that necessary financial, operational and human resources are in place for the Managers to meet their objectives. All board members of the H-REIT Manager and the HBT Trustee-Manager participate in matters relating to corporate governance including setting corporate values and ethical standards, business operations and risk management, desired organisational culture, financial performance, engaging key stakeholder groups and the nomination and review of performance of Directors and key management personnel. A Code of Business and Ethical Conduct duly approved by the Managers' Boards is in place.

The Managers' Boards have established a framework for the management of the Managers, H-REIT and HBT, including a system of internal controls and business risk management processes. The Managers' Boards meet quarterly or more often, if necessary, to:

(i) review the financial performance of H-REIT and HBT respectively against previously approved budgets,

(ii) review the business risks of H-REIT and HBT respectively,

(iii) review the acquisition and disposal of assets or undertakings of CDLHT, corporate actions and financing,

(iv) examine liability management,

(v) oversee the sustainability performance of H-REIT and HBT, and

(vi) act upon any recommendations and/or comments from both the internal and external auditors of H-REIT and HBT.

In assessing business risks, the Managers' Boards also consider the economic environment and risks relevant to the property, hospitality and residential sectors. In discharging the Managers' Boards' stewardship responsibilities, the Managers' Boards review management reports and board papers submitted by the executive team to monitor performance, compliance and implementation of strategic objectives, and approve matters related to budgets, financing proposals, significant transactions, corporate actions and other material business initiatives, thereby ensuring appropriate oversight and accountability to unitholders.

3. OWNERSHIP AND OPERATIONAL STRUCTURES OF ASSETS

H-REIT Group is the owner and lessor of (i) hotel assets which are leased to the Sponsor, external lessees or HBT Group and (ii) non-hotel assets which are leased to individual tenants (such as retail/office/residential/student tenants or educational institutions). All properties in CDLHT's portfolio are held under H-REIT, with the exception of the four properties and a piece of vacant land mentioned in the next paragraph below.

HBT Group may undertake certain hospitality and hospitality-related and other accommodation development projects, acquisitions and investments which may not be suitable for H-REIT. HBT Group is indirectly the owner of (i) Hilton Cambridge City Centre and Hotel Indigo Exeter which are managed by third party hotel management companies; (ii) The Lowry Hotel which is self-managed; (iii) The Castings which is leased to individual residential tenants; and (iv) the vacant freehold land located adjacent to Benson Yard.

HBT Group may also act as the master lessee of H-REIT Group's hotels under the following circumstances:

- Where H-REIT Group appoints HBT Group in the absence of any other master lessee being appointed upon the expiry of an existing lease term. In such instances, HBT Group may either appoint professional hotel managers to manage the hotels or self-manage them.

- Where H-REIT Group acquires hotels and no other suitable master lessee is available, H-REIT Group may lease such acquired hotels to HBT Group. In these cases, HBT Group will assume the role of a master lessee and may likewise appoint professional hotel managers to manage the hotels or self-manage them.

As at the Latest Practicable Date, HBT Group acts as the master lessee to six of the properties held under H-REIT Group, namely W Singapore – Sentosa Cove, Mercure Perth, Ibis Perth, The Halcyon Private Isles Maldives, Autograph Collection[3], Hotel MyStays Asakusabashi and Hotel MyStays Kamata. These properties are managed by third-party hotel management companies. The HBT Trustee-Manager works closely with the hotel and property managers where HBT Group is the master lessee or owner of the properties.

Both H-REIT and HBT are externally managed by the H-REIT Manager and the HBT Trustee-Manager respectively and accordingly, do not have personnel of their own. Instead, the Managers employ experienced and well-qualified management staff to run the day-to-day operations of H-REIT and HBT.

[3] Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.

3.1 Summary Table of Property Ownership Information and Operating Structure[4]

Property	No. of Keys/Units /Beds	Asset Owner	Operating Structure
Singapore			
Singapore Hotels			
Orchard Hotel	656	H-REIT Group	Leased to Sponsor Group
Grand Copthorne Waterfront Hotel	573	H-REIT Group	Leased to Sponsor Group
M Hotel	415	H-REIT Group	Leased to Sponsor Group
Copthorne King's Hotel	311	H-REIT Group	Leased to Sponsor Group
Studio M Hotel	360	H-REIT Group	Leased to Sponsor Group
W Singapore – Sentosa Cove	240	H-REIT Group	Leased to HBT Group and managed by Marriott International group
Retail Mall			
Claymore Connect	N.A.	H-REIT Group	Leased to retail tenants
New Zealand			
Grand Millennium Auckland	453	H-REIT Group	Leased to Sponsor Group
Australia			
Mercure Perth	239	H-REIT Group	Leased to HBT Group and managed by AccorHotels group
Ibis Perth	192	H-REIT Group	Leased to HBT Group and managed by AccorHotels group
Maldives			
Angsana Velavaru	113	H-REIT Group	Leased to Banyan Tree Holdings Limited group
The Halcyon Private Isles Maldives, Autograph Collection[(i)]	38	H-REIT Group	Leased to HBT Group and managed by Apara Hotel Advisors group
Japan			
Hotel MyStays Asakusabashi	139	H-REIT Group	Leased to HBT Group and managed by MyStays Hotel group
Hotel MyStays Kamata	116	H-REIT Group	Leased to HBT Group and managed by MyStays Hotel group
United Kingdom			
UK Hotels			
Hilton Cambridge City Centre	198	HBT Group	Managed by Hilton Worldwide group
The Lowry Hotel	165	HBT Group	Self-operated and managed by HBT Group
voco Manchester – City Centre	189	H-REIT Group	Leased to Marshall Holdings group
Hotel Indigo Exeter[(ii)]	104	HBT Group	Managed by Michels & Taylor (London) Limited
UK Living Assets			
The Castings (BTR)[(ii)]	352	HBT Group	Managed by Native Residential Limited
Benson Yard (PBSA)	404	H-REIT Group	Managed by Fresh Property Group Limited
Germany			
Pullman Hotel Munich[(iii)]	337	H-REIT Group	Leased to EVENT Hotels group
Italy			
Hotel Cerretani Firenze – MGallery	86	H-REIT Group	Leased to EVENT Hotels group

(i) Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.
(ii) Retail units at Hotel Indigo Exeter and The Castings are or will be leased to individual tenants
(iii) Retail and office units at Pullman Hotel Munich are leased to individual tenants

3.2 Hotels Held under the H-REIT Group

Master-Leased to the Sponsor Group or Third-party Lessees

Singapore IPO hotels & Studio M

The Singapore IPO hotels include Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel and Copthorne King's Hotel. These hotels are owned by the H-REIT Group and leased to the Sponsor Group under master lease agreements. Under the terms of each of these agreements, rent is essentially structured as 20% of the hotel's revenue plus 20% of the hotel's gross operating profit, subject to an annual fixed rent floor. The total fixed rent for the four IPO hotels is equivalent to S$26.4 million per annum. The leases have an initial term of 20 years from the date of listing on 19 July 2006, expiring 18 July 2026, with an additional 20-year renewal option. The master lessees have provided notice of their intention to exercise these renewal options, and accordingly, each renewed master lease will run for a further 20 years (on the same terms and conditions save for amendments required due to change in law and excluding any further option to renew) commencing upon the expiry of the original lease term.

[4] Please refer to the section "PORTFOLIO STATISTICS AND DETAILS – Information on the Properties" for more information in relation to the master lessees or property managers for each property.

Studio M is similarly owned by the H-REIT Group and leased to the Sponsor Group under a master lease agreement. Under this agreement, rent is based on 30% of the hotel's revenue and 20% of the hotel's gross operating profit, subject to an annual fixed rent floor of S$5.0 million. The initial lease term is 20 years commencing 3 May 2011 and expiring 2 May 2031, with three successive renewal options granted to the master lessee to extend the lease term for additional periods of 20 years, 20 years and 10 years, respectively.

Grand Millennium Auckland (New Zealand)

Grand Millennium Auckland is owned by the H-REIT Group and leased to the Sponsor Group under a master lease agreement. The lease was renewed for its third 3-year term from 7 September 2022, expiring 6 September 2025, on the same terms, except annual base rent is revised to zero for the first two years of the term and NZ$2.0 million for the third year. Under this agreement, rent is equal to the net operating profit of the hotel, subject to an annual base rent floor. The lease is currently on holdover on the same terms following the expiry of the third three-year lease term on 6 September 2025, while the new lease documentation is being finalised.

Angsana Velavaru (Maldives)

Angsana Velavaru is owned by the H-REIT Group and leased to the Banyan Tree Holdings Limited group under a master lease agreement. Under this agreement, rent is based on the hotel's gross operating profit after deducting the lessee's management fee, subject to a minimum rent. The minimum rent of US$6.0 million per year is guaranteed by Banyan Tree Holdings Limited, subject to a maximum rent reserve of US$6.0 million during the term of the lease agreement. The lease has a term of 10 years commencing on 1 February 2023 and expiring on 31 January 2033.

voco Manchester – City Centre (UK)

voco Manchester – City Centre is owned by the H-REIT Group and leased to the Marshall Holdings group under a full repairing and insuring occupational lease arrangement, subject to upward-only annual rent revision broadly based on inflation. The current annual fixed rent for the period 7 May 2025 to 6 May 2026 is £2.74 million. The lease has a term of 60 years, commencing on 7 May 2021 and expiring on 6 May 2081, subject to a break option exercisable by the lessee on 15 January 2045, and then on every fifth anniversary from that date, by providing at least 6 months' prior notice to the lessor.

Pullman Hotel Munich (Germany) and Hotel Cerretani Firenze – MGallery (Italy)

Both Pullman Hotel Munich and Hotel Cerretani Firenze – MGallery are owned by the H-REIT Group and leased to the EVENT Hotels group under long-term lease agreements. For Pullman Hotel Munich, the lease provides for an annual base rent of €3.6 million, while for Hotel Cerretani Firenze – MGallery, the lease provides for an annual base rent of €1.3 million. In addition to the base rent, both leases include a variable rent component linked to the operating performance of the respective hotels. The lease for Pullman Hotel Munich has a 20-year term commencing on 14 July 2017 and expiring on 13 July 2037, while the lease for Hotel Cerretani Firenze – MGallery has a 20-year term commencing on 27 November 2018 and expiring on 26 November 2038.

Master-Leased to HBT Group and Managed by Third-party Management Companies

W Singapore – Sentosa Cove, The Halcyon Private Isles Maldives[5], Hotel MyStays Asakusabashi, Hotel MyStays Kamata, Mercure Perth and Ibis Perth are held under the H-REIT Group and leased to the HBT Group. These hotels are managed by established international and regional operators under hotel management agreements. The Halcyon Private Isles Maldives is managed by Apara Hotel Management Maldives Pvt Ltd, a white-label hotel operator and operates under the Autograph Collection brand through a franchise agreement with Marriott International group. The agreements generally have medium-to long-term tenures, ranging from approximately three years (on an auto-renewal basis) to twenty years. More details can be found under the section titled "*PORTFOLIO STATISTICS AND DETAILS – Information on the Properties*".

3.3 Hotels Held under the HBT Group

Hilton Cambridge City Centre, The Lowry Hotel and Hotel Indigo Exeter are owned by the HBT Group. The UK hotels are operated under a mix of management structures. Hilton Cambridge City Centre is managed by the Hilton Worldwide group under a hotel management agreement. The Lowry Hotel is self-managed by the HBT Group. Hotel Indigo Exeter is managed by Michels & Taylor (London) Limited, a white-label hotel operator, under a hotel management agreement and is franchised under the "Hotel Indigo" brand of the InterContinental Hotels Group. The hotel management agreements generally range from approximately ten to twelve years. More details can be found under the section titled "*PORTFOLIO STATISTICS AND DETAILS – Information on the Properties*".

3.4 Living Assets and Other Non-Hotel Commercial Assets/Units

Claymore Connect (retail mall) in Singapore, Benson Yard (PBSA) in the UK and the retail and office units at Pullman Hotel Munich in Germany are held under the H-REIT Group. The Castings (BTR) and retail units at Hotel Indigo Exeter in the UK are held under the HBT Group.

These assets are leased to multiple individual tenants – including retail, office, residential and student tenants, as well as educational institutions – and are professionally managed by third-party property management companies.

4. GROWTH STRATEGIES

H-REIT's principal investment strategy is to invest in a diversified portfolio of income-producing real estate, which is or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes (including, without limitation, hotels, serviced apartments, resorts, motels, other lodging facilities and properties used for rental housing, co-living, student accommodation and senior housing) globally.

HBT's principal investment strategy is to invest in a diversified portfolio of real estate or development projects, which is or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes (including, without limitation, hotels, serviced apartments, resorts, motels, other lodging facilities and properties used for rental housing, co-living, student accommodation and senior housing) globally and may also include the operation and management of the real estate assets held by H-REIT and HBT.

Generally, investments will be made where such investments are considered to be value-enhancing, DPS accretive or DPS yield accretive or have potential for capital appreciation, and are feasible in the light of regulatory, commercial, political and other relevant considerations.

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[5] Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.

The objectives of the Managers are to maximise the rate of return for Stapled Securityholders and to make regular distributions. The Managers plan to achieve these objectives through the following strategies:

(1) Acquisition Growth Strategy

Acquisition

The Managers will pursue acquisition opportunities of quality assets with growth potential and adopt a medium to long term view to investments, while considering the need for diversification of the portfolio by geography, sub-asset classes within the accommodation space and asset profile. Since 2021, CDLHT has executed on its expanded investment mandate through acquisitions in the living assets sector. Notably, CDLHT entered into a forward-funding scheme for The Castings, a build-to-rent residential development in Manchester which officially opened in July 2024, and expanded into the PBSA sector with the acquisition of Benson Yard in Liverpool in December 2024. These milestone investments underscore CDLHT's commitment to building a resilient portfolio that supports stable, long-term growth. Further, by complementing its core hotel portfolio with longer-stay accommodation assets, CDLHT has strengthened its resilience and created additional avenues for value creation.

Potential sources of acquisitions by CDLHT are likely to arise from:

- CDLHT's relationship with the Sponsor and CDL. The Sponsor is an international hotel owner and operator and a wholly owned subsidiary of CDL, a leading global real estate company listed in Singapore. CDLHT can leverage on CDL's and the Sponsor Group's expertise, market reach and tap on the group's network in the global hospitality and living sectors for its acquisitions. In addition, CDLHT can seek partnership and co-operation opportunities with CDL and the Sponsor Group as it expands globally. CDL and the Sponsor Group also provide a source of potential acquisition pipeline.

- Opportunities arising from divestment of assets by hospitality service providers seeking to redeploy capital for business expansion.

- Opportunities arising from divestment of assets by owners, developers or investment funds with defined exit horizons.

- Opportunities to acquire under-performing assets with turnaround potential, where value-added strategies such as re-flagging, management change, or asset enhancement can unlock performance.

Recent acquisitions include:

1. The Castings (BTR), Manchester, UK – acquired via forward funding in August 2021 and opened in July 2024, achieving a physical occupancy of 90.1% as at 30 September 2025.

2. Benson Yard (PBSA), Liverpool, UK – acquired in December 2024, together with an adjacent freehold development site. Benson Yard achieved a Committed Occupancy of 95.0% for Academic Year ("**AY**") 2024/2025 (ended in August 2025), and 97.0% for AY 2025/2026 (commenced in September 2025) as at 30 September 2025.

3. Hotel Indigo Exeter and two retail units, UK – acquired in November 2024.

Looking ahead, CDLHT has also secured a forward purchase arrangement for Moxy Singapore Clarke Quay, a lifestyle hotel being developed by a subsidiary of CDL, with TOP expected in end 2026 (date subject to change).

Development Projects

The Managers may selectively undertake development projects with higher yields, focusing on the stabilised returns being accretive to distribution and improving returns to Stapled Securityholders. CDLHT's investments in development projects have so far been structured through forward-funding or forward-purchase arrangements, which limits CDLHT's exposure to development risk and construction cost escalations.

The Castings was acquired via a fixed-cost model under a forward-funding scheme, with payment mechanisms built in to limit the associated development risk. These included periodic payments based on progressive construction costs incurred, as well as the retention of a balancing payment to be released only upon completion. In addition, a 3% construction retention was applied, with half payable upon completion and the remaining half to be released after the expiry of the 24-month defects rectification period, subject to any applicable deductions for the cost of rectifying defects. The Castings commenced operations in July 2024 and is expected to deliver a more stabilised level of NPI from 2026 onwards as it moves beyond its initial gestation phase.

Moxy Singapore Clarke Quay will be acquired via a forward-purchase agreement at the lower of the fixed price of S$475 million or 110% of development costs[6] which mitigates development risk. There is also no capital outlay until TOP of the property (expected in end 2026, date subject to change) is achieved and the maximum price is fixed at S$475 million. The cost-plus model also enables CDLHT to reap the benefits of any potential cost savings.

As part of the Benson Yard (PBSA) acquisition, CDLHT also acquired an adjoining parcel of vacant freehold land with existing planning consent for a 144-key hotel. While the site already has approval for hotel development, further feasibility studies will need to be conducted to determine the best use and returns. Other options include development of another PBSA block (subject to planning consent) in lieu of the hotel, which could serve to complement the existing Benson Yard.

(2) Asset Management Strategy

The Managers actively engage with their master lessees and operators/managers to maximise asset operating performance and cash flow, benchmarking the operating results of each asset against market performance, prior-year results, and planned budgets. Where targets are not met, the Managers conduct reviews and work closely with master lessees and operators/property managers to develop and implement action plans to improve performance. The Managers also leverage on CDLHT's relationship with the Sponsor Group and associated economies of scale and tap on the Sponsor's extensive experience in the hospitality industry. In addition, the Managers undertake various AEIs to optimise asset potential and quality, enhancing the overall value and competitiveness of CDLHT's portfolio.

[6] Lower of fixed price of S$475.0 million or 110% of development costs (taking into account developer's return). However, any extension fee or levy payable by the joint development parties for any extension of time for the fulfilment of any condition imposed by the Singapore Land Authority in respect of the upgrading of lease tenure of the land to a fresh 99-year lease ("**Levy**"), the consideration will be the lower of (i) fixed price; or (ii) Levy (or part thereof) plus 110% of the development costs.

Recent AEIs include:

1. Ibis Perth – completed an extensive renovation in early 2025, repositioning the hotel with upgraded rooms, F&B areas and lifestyle amenities. These enhancements elevate the hotel's appeal, reinforcing its position as a preferred choice in Perth's city centre.

2. Grand Millennium Auckland – undergoing a multi-year refurbishment programme, with the first phase of room refurbishments and atrium bar upgrades completed, building on earlier enhancements to the ballroom, all-day dining restaurant and lobby lounge. The second phase of room refurbishments and renovation of remaining public areas, is targeted for completion by end-2025, positioning the hotel strongly to capitalise on opportunities arising from the opening of the New Zealand International Convention Centre in early 2026.

3. W Singapore – Sentosa Cove – commenced a phased renovation of all rooms in February 2025, targeted for substantial completion by end 2025, aimed at reinforcing its luxury lifestyle positioning and complementing earlier enhancements to the lobby, ballroom, meeting rooms and restaurants.

(3) Capital Recycling Strategy

The Managers monitor and evaluate the potential of the properties under management and assess opportunities for divestment periodically. Divestments may be undertaken to recycle capital in search of better growth prospects and returns, rebalance the portfolio and/or unlock underlying asset values, so as to optimise returns for Stapled Securityholders or achieve greater financial flexibility.

Notable past transactions include the divestment of Novotel Singapore Clarke Quay in 2020 for approximately S$375.9 million, with the net proceeds largely applied towards funding the S$342.2 million acquisition of W Singapore – Sentosa Cove. In the same year, CDLHT also divested Novotel Brisbane for A$67.9 million.

(4) Capital And Risk Management Strategy

CDLHT endeavours to achieve an optimal capital structure through a robust and disciplined approach towards capital and risk management. Future acquisitions and AEIs will be funded through a prudent mix of debt, equity, and divestment proceeds where appropriate. As part of its strategy, the Managers are focused on:

- maintaining a strong balance sheet and ensuring compliance with the MAS' aggregate leverage limit for REITs;

- minimising financing costs;

- diversifying funding sources from financial institutions and capital markets;

- deploying appropriate hedging strategies to manage interest rate and foreign exchange exposures; and

- ensuring robust liquidity through available cash, credit facilities and multicurrency debt issuance programmes.

As at 30 September 2025, CDLHT's outstanding borrowings stood at S$1.4 billion, representing a gearing ratio of 42.4%[7] and a debt headroom of S$500 million[8]. The weighted average cost of debt was 3.4%, with fixed-rate borrowings accounting for 47.9% of total debt. The weighted average debt maturity was 2.1 years. CDLHT continues to prioritise financial resilience and flexibility by maintaining a robust unencumbered asset position of 95.3% of its property value, enhancing its ability to secure favourable financing terms.

5. COMPETITIVE STRENGTHS

(1) Geographically Diversified Hospitality Portfolio, Strengthened by Strategic Living Sector Exposure

When CDLHT was first established in 2006, it had a principal investment strategy of investing in a portfolio of hospitality and/or hospitality-related real estate assets and had an initial portfolio comprising Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel and Orchard Hotel Shopping Arcade (the shopping arcade adjoining Orchard Hotel, now known as Claymore Connect).

Over the last two decades, CDLHT has grown both in scale and geographical reach, developing a hospitality portfolio that is diversified across eight countries spanning Asia Pacific, the United Kingdom and Continental Europe. Its core exposure remains anchored in Singapore – a key gateway market – complemented by assets in developed hospitality markets such as Australia, New Zealand, Japan, United Kingdom, Germany and Italy, as well as exposure to Maldives, a premium leisure destination. This geographic breadth enables CDLHT to capture different demand drivers and market cycles across business, leisure and tourism segments.

In August 2021, CDLHT expanded its investment strategy to invest in real estate used for other accommodation and/or lodging purposes including, without limitation, properties used for rental housing, co-living, student accommodation and senior housing. The broader investment strategy was intended to provide CDLHT with additional optionality and flexibility in its investments as such adjacent accommodation/lodging segments tend to exhibit different characteristics and may experience different growth cycles.

CDLHT's portfolio today comprises not only hospitality and/or hospitality-related real estate assets, but also living assets such as a residential BTR (The Castings) as well as a PBSA (Benson Yard). These investments in living assets not only serve as an additional avenue for value creation but also tap into favourable long-term demographic trends, thereby enhancing CDLHT's income resilience.

A diversified lodging portfolio will be beneficial to CDLHT in the long run as the portfolio will be less susceptible to any adverse systemic changes caused by unforeseeable external events and developments to the hospitality sector. In addition, the different accommodation/lodging real estate sectors have varying cycles of rental and occupancy growth rates and are likely to react differently to the same risk event. The diversification of demand drivers and behaviours to risk events will improve the resilience of CDLHT's portfolio.

Further, having a diverse portfolio with varied tenant mix and lodging uses will reduce tenant concentration risk and contributes to more balanced and stable rental streams.

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[7] For the purpose of gearing computation, the total assets exclude the effect of FRS 116/SFRS(I) 16 Leases (adopted with effect from 1 January 2019).

[8] Computed on basis of the regulatory gearing limit of 50.0%.

(2) Strategic Locations

CDLHT's portfolio of hotels in Singapore, Australia and New Zealand are conveniently located within or in close proximity to their respective central business districts as well as popular tourist destinations. Their strategic locations enable them to cater to both business and leisure travellers. CDLHT's only retail mall, Claymore Connect, is located in the main shopping belt of Singapore.

The hotels in Japan are located near major transportation networks and tourist attractions in Tokyo while the hotels in the UK are strategically located in prime city centre locations within Cambridge, Exeter and Manchester, close to major popular tourist attractions. Pullman Hotel Munich is conveniently located near a major business park in Munich while Hotel Cerretani Firenze – MGallery is set in the heart of Florence's historic city centre. CDLHT also owns two resorts located in the Maldives, a top-tier premium destination renowned for the exclusive "one-island one-resort" concept.

CDLHT's living assets in the UK are equally well-situated, with the BTR property (The Castings), located in Manchester's emerging Piccadilly East district, a rapidly developing urban precinct offering excellent connectivity and modern city living, and the PBSA (Benson Yard) located in Liverpool city centre, close to the two major Liverpool universities and the city's main rail terminals.

(3) Partnerships with Reputable Hospitality Brands and Operators

CDLHT's portfolio is operated by a diverse network of established lessees and hotel managers, including leading international hotel groups such as Millennium Hotels and Resorts, AccorHotels, Hilton Worldwide Inc. and Marriott International, Inc., as well as reputable white-label operators such as EVENT Hotels and Michels & Taylor. These lessees and hotel managers are supported by teams of experienced professionals with deep expertise in the management and operation of hospitality and hospitality-related assets. For example:

- Millennium Hotels and Resorts owns, manages and operates over 145 hotels in 80 locations[9];
- AccorHotels manages 5,700 hotels in more than 110 countries and territories[10];
- Hilton Worldwide Inc. manages over 9,000 hotels and 1.3 million rooms in 141 countries and territories[11];
- Marriott International Inc. manages nearly 9,600 properties in 143 countries[12].

In the living sector, CDLHT's BTR asset, The Castings, is managed by Native Residential Limited, which oversees approximately 8,000 BTR units across 16 assets[13], while its PBSA asset, Benson Yard, is managed by Fresh Property Group Limited, which oversees about 21,000 operational units across 27 assets[14].

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9 Source: News report titled "From King's Hotel to 145 hotels worldwide: How this home-grown hospitality brand makes its mark across the globe" dated 29 May 2025, available at the website of Straits Times at https://www.straitstimes.com/business/kings-m-social-brand-worldwide-cdl-millennium-hotels-resorts

10 https://group.accor.com/en/group, last accessed on Latest Practicable Date

11 https://www.hilton.com/en/corporate/, last accessed on Latest Practicable Date

12 https://www.marriott.com/marriott/aboutmarriott.mi, last accessed on Latest Practicable Date

13 https://www.native-communities.com/about-us/, last accessed on Latest Practicable Date

14 https://www.thisisfresh.com/corporate, last accessed on Latest Practicable Date

(4) Strong and Committed Sponsor and Parentage

Millennium & Copthorne Hotels Limited, which is wholly-owned by CDL, is the sponsor of CDLHT and is a global hotel company that owns, manages and operates over 145 hotels worldwide, many in key gateway cities as at the Latest Practicable Date. CDL is a leading global real estate company with a network spanning 168 locations in 29 countries and regions, making it one of the largest property developers in Singapore with a market capitalisation of approximately S$6.6 billion as at Latest Practicable Date. CDL's portfolio consists of residences, offices, hotels, serviced apartments, student accommodation, retail malls and integrated developments.

CDLHT stands to benefit from both the Sponsor's and CDL's financial strength, experience, market reach and network in the global hospitality and residential industries for the following reasons:

- The Sponsor and CDL have significant expertise, experience and knowledge in relation to the hospitality and residential industries and has a global hotel sales network, as well as integrated hotel operations;

- The Sponsor and CDL have long-standing relationships with institutional and other property owners and property brokers, thereby allowing the Managers to respond quickly to acquisition opportunities;

- The Sponsor and CDL are staffed by experienced professionals who have in-depth expertise in the areas of investment, management and operation in relation to hospitality and residential assets; and

- The Sponsor has numerous marketing partnerships with airline, credit card and travel management companies.

(5) Prudent Capital Management

Maintaining a resilient financial position remains a key priority for CDLHT, ensuring both stability and flexibility in navigating evolving market conditions. As at 30 September 2025, CDLHT reported a gearing ratio of 42.4%[15], with S$500 million[16] of debt headroom and an average cost of debt of 3.4%. Fixed-rate borrowings accounted for 47.9% of total debt, with a weighted average debt maturity of 2.1 years. As at the Latest Practicable Date, the fixed-rate borrowings accounted for 51.4% of total debt, with a weighted average debt maturity of 2.3 years. In October 2025, a S$36.7 million bridge loan was refinanced to a term loan and two additional SGD interest rate swaps[17] were executed to fix some of the SGD floating-rate borrowings.

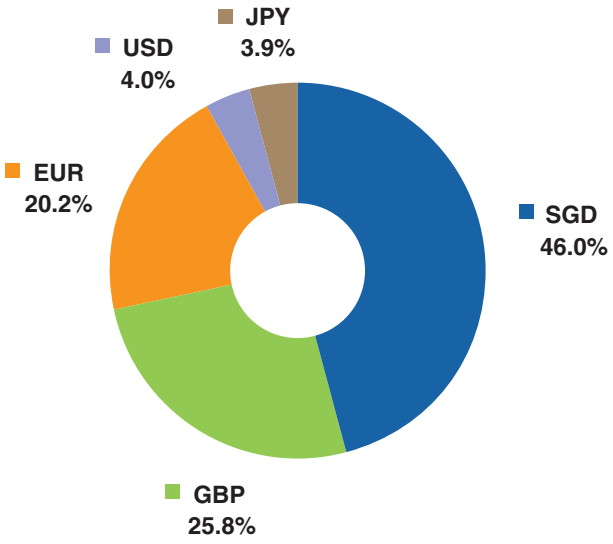
[15] For the purpose of gearing computation, the total assets exclude the effect of FRS 116/SFRS(I) 16 Leases (adopted with effect from 1 January 2019).

[16] Computed on basis of the regulatory gearing limit of 50.0%.

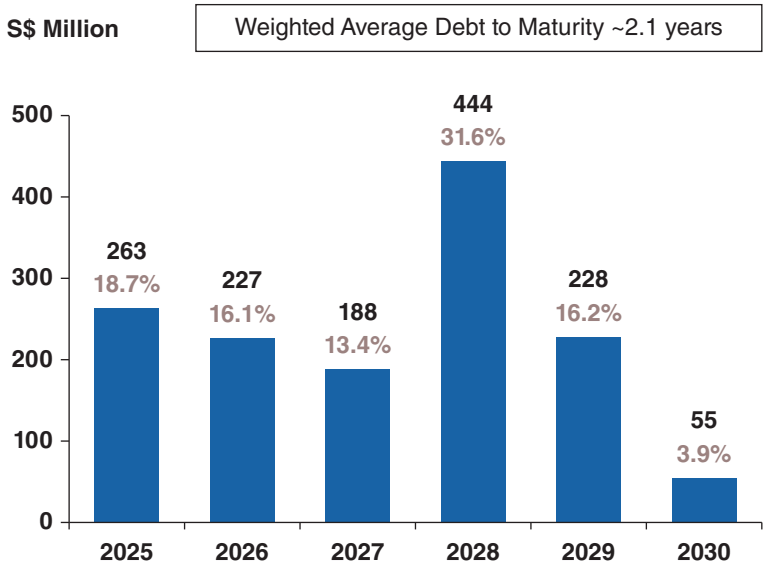
[17] Includes a forward start SGD IRS effective in December 2025.

The charts below detail the debt currency and debt maturity profiles of CDLHT:

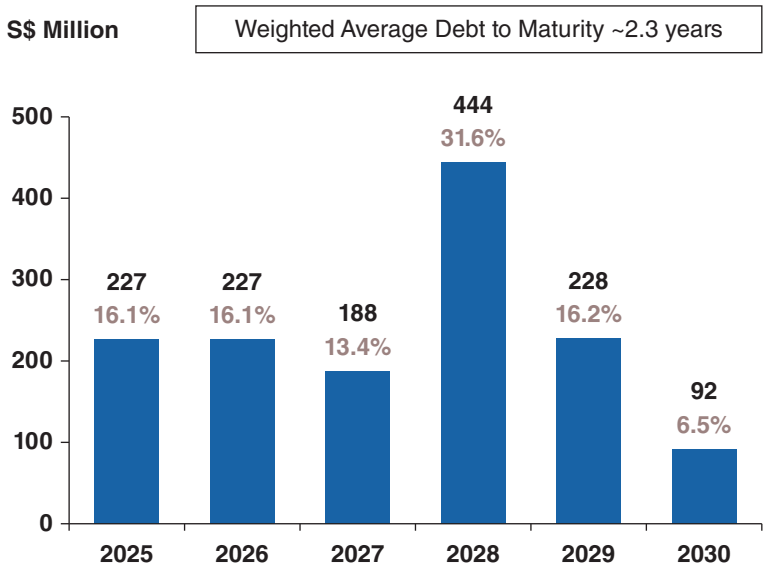
Debt Currency Profile as at 30 September 2025



Debt Maturity Profile as at 30 September 2025



Debt Maturity Profile as at Latest Practicable Date



In line with CDLHT's commitment to sustainable financing, approximately S$310.8 million (82%) of maturing loans in FY2024 were refinanced as sustainability-linked loans, bringing its total sustainability-linked facilities to S$666.0 million at year-end. As at the Latest Practicable Date, the total sustainability-linked facilities further increased to S$937.7 million. This underscores the Managers' focus on responsible capital management alignment with global sustainability objectives. Please refer to the section titled "*SUSTAINABILITY*" for more information on the sustainability-linked financing activities undertaken by CDLHT.

To mitigate exposure to fluctuations in interest rates, CDLHT has entered into numerous interest rate swaps for its SGD and JPY borrowings as part of its risk management strategy during FY2024 and FY2025 (up to the Latest Practicable Date). These hedging arrangements are designed to provide greater stability and predictability in financing costs. The current fixed-to-floating borrowings profile positions CDLHT to benefit from potential interest rate declines in the near to medium term.

As at 30 September 2025, CDLHT held cash and available credit facilities of S$475.1 million[18] and maintained a strong unencumbered asset base representing 95.3% of its portfolio value. This disciplined approach provides financial flexibility and supports access to competitive financing for future growth.

(6) Experienced Leadership with Deep Domain Expertise

The Managers are staffed by seasoned professionals and supported by experienced boards of directors. CDLHT benefits from the directors' and executive officers' expertise in banking and accounting, as well as in the fund, asset, hospitality, and property management industries, gained in Singapore and elsewhere in the world.

Information on the business and working experience of the Managers' Boards and management team of the Managers as at the Latest Practicable Date is set out under the section below "MANAGEMENT".

[18] Comprises S$185.1 million of cash and undrawn revolving credit facilities and S$290.0 million in uncommitted bridge loan facilities.

6. PORTFOLIO STATISTICS AND DETAILS

6.1 Portfolio Summary of CDL Hospitality Trusts as at 30 June 2025

CDLHT's portfolio comprises 22 properties, consisting of 4,924 hotel rooms, 352 BTR apartments, 404 PBSA beds, and a retail mall. As at 30 June 2025, the portfolio value was S$3.3 billion.

	No. of Keys/ Units/Beds	Title	Remaining Term of Land Lease as at 30 Jun 2025	Location	Asset Class	Portfolio Value as at 30 Jun 2025 (S$m)	%
SINGAPORE						**2,078.8**	**62.2%**
Orchard Hotel	656	75-year leasehold interest commencing 19 Jul 2006	56 years	442 Orchard Road	Hotel	517.8	15.5%
Grand Copthorne Waterfront Hotel	573	75-year leasehold interest commencing 19 Jul 2006	56 years	392 Havelock Road	Hotel	429.3	12.8%
M Hotel	415	75-year leasehold interest commencing 19 Jul 2006	56 years	81 Anson Road	Hotel	272.1	8.1%
Copthorne King's Hotel	311	99-year leasehold interest commencing 1 Feb 1968	41 years	403 Havelock Road	Hotel	146.1	4.4%
Studio M Hotel	360	99-year leasehold interest commencing 26 Feb 2007	80 years	3 Nanson Road	Hotel	206.3	6.2%
W Singapore – Sentosa Cove	240	99-year leasehold interest commencing 31 Oct 2006	80 years	21 Ocean Way	Hotel	387.2	11.6%
Claymore Connect	N.A.	75-year leasehold interest commencing 19 Jul 2006	56 years	442 Orchard Road	Retail	120.0	3.6%
NEW ZEALAND						**171.5**	**5.1%**
Grand Millennium Auckland	453	Freehold	–	71-87 Mayoral Drive, Auckland	Hotel	171.5	5.1%
AUSTRALIA						**77.7**	**2.3%**
Mercure Perth	239	Strata Freehold	–	10 Irwin Street, Perth	Hotel	41.0	1.2%
Ibis Perth	192	Freehold	–	334 Murray Street, Perth	Hotel	36.7	1.1%
MALDIVES						**153.2**	**4.6%**
Angsana Velavaru	113	99-year leasehold interest commencing 26 Aug 1997	71 years	South Nilandhe Atoll	Resort	87.4	2.6%
The Halcyon Private Isles Maldives, Autograph Collection[1]	38	99-year leasehold interest commencing 15 Jun 2006	79 years	Gaafu Alifu Atoll	Resort	65.8	2.0%
JAPAN						**81.7**	**2.4%**
Hotel MyStays Asakusabashi	139	Freehold	–	1-5-5 Asakusabashi, Taito-ku, Tokyo	Hotel	53.2	1.6%
Hotel MyStays Kamata	116	Freehold	–	5-46-5 Kamata, Ota-ku, Tokyo	Hotel	28.5	0.9%
UNITED KINGDOM						**554.3**	**16.6%**
Hilton Cambridge City Centre	198	125-year leasehold interest commencing 25 Dec 1990	90 years[2]	20 Downing Street, Cambridge	Hotel	111.9	3.3%
The Lowry Hotel	165	150-year leasehold interest commencing 18 Mar 1997	121 years	50 Dearmans Place, Salford, Manchester	Hotel	88.5	2.6%
voco Manchester – City Centre	189	~197-year leasehold interest commencing 7 May 2021	192 years	57 & 59 Portland Street, Manchester	Hotel	87.3	2.6%
Hotel Indigo Exeter[3]	104	Freehold	–	3 Catherine St, Exeter	Hotel	37.3	1.1%
The Castings (BTR)[3]	352	Freehold	–	9 Heyrod Street, Manchester	Living Assets	160.5	4.8%
Benson Yard (PBSA)[4]	404	Freehold	–	18 Benson Street, Liverpool	Living Assets	68.8	2.1%
GERMANY						**155.2**	**4.6%**
Pullman Hotel Munich[5][6]	337	Freehold	–	Theodor-Dombart-Strasse 4, Munich	Hotel	155.2	4.6%
ITALY						**71.3**	**2.1%**
Hotel Cerretani Firenze – MGallery[6]	86	Freehold	–	Via De Cerretani 68, Florence	Hotel	71.3	2.1%
TOTAL						**3,343.7**	**100.0%**

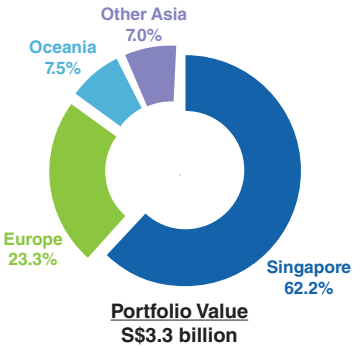
(1) Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.
(2) The lease term may be extended for a further term of 50 years pursuant to lessee's (CDLHT) option to renew under the lease granted by the head lessor (Cambridge City Council).
(3) Including retail units
(4) Including an adjacent piece of vacant land
(5) Including retail and office units
(6) Valuation is based on 100% interest before adjustment of non-controlling interests

6.2 Portfolio Value by Geography (as at 30 June 2025)

The portfolio value is predominantly concentrated in the core Singapore market (62.2%), followed by Europe (23.3%), of which the living assets in the UK accounted for 6.9%, with Oceania (7.5%) and Other Asia (7.0%) making up the balance.

Portfolio Value as at 30 June 2025

Singapore	**62.2%**
Singapore Hotels	***58.6%***
Orchard Hotel	15.5%
Grand Copthorne Waterfront Hotel	12.8%
W Hotel	11.6%
M Hotel	8.1%
Studio M Hotel	6.2%
Copthorne King's Hotel	4.4%
Singapore Retail	***3.6%***
Claymore Connect	3.6%
Oceania	**7.5%**
New Zealand	***5.1%***
Grand Millennium Auckland	5.1%
Australia	***2.3%***
Mercure Perth	1.2%
Ibis Perth	1.1%



Europe	**23.3%**
United Kingdom Hotels	***9.7%***
Hilton Cambridge City Centre	3.3%
The Lowry Hotel (Manchester)	2.6%
voco Manchester – City Centre	2.6%
Hotel Indigo Exeter(1)	1.1%
United Kingdom Living Assets	***6.9%***
The Castings (Manchester BTR)(1)	4.8%
Benson Yard (Liverpool PBSA)	2.1%
Germany – Pullman Hotel Munich(2)(3)	***4.6%***
Italy – Hotel Cerretani Firenze(3)	***2.1%***
Other Asia	**7.0%**
Maldives	***4.6%***
Angsana Velavaru	2.6%
The Halcyon Private Isles Maldives(4)	2.0%
Japan	***2.4%***
MyStays Asakusabashi (Tokyo)	1.6%
MyStay Kamata (Tokyo)	0.9%

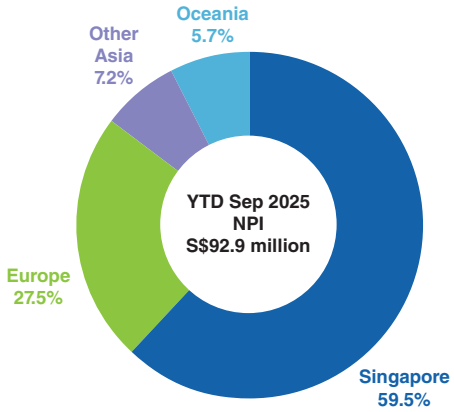
(1) Includes retail units.
(2) Includes retail and office units.
(3) On the basis of 100% interest before adjustment of non-controlling interests.
(4) Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.

6.3 Net Property Income by Geography and Nature (YTD September 2025)

For the nine months ended September 2025 (YTD September 2025), CDLHT's NPI was primarily driven by its core Singapore market (59.5%), followed by Europe (27.5%), of which 6.3% was contributed by UK living assets, Other Asia (7.2%), and Oceania (5.7%). The contribution from the living assets has yet to reach a stabilised level, as The Castings (UK BTR) only commenced operations in July 2024 and remained in its gestation phase for most of the YTD September 2025 period.

Net Property Income by Geography for YTD September 2025

Singapore	**59.5%**
Singapore Hotels	***54.4%***
Singapore Retail	***5.2%***
Europe	**27.5%**
United Kingdom Hotels(1)	***12.7%***
United Kingdom Living Assets	***6.3%***
Germany(2)(3)	***5.9%***
Italy(3)	***2.6%***
Other Asia	**7.2%**
Maldives	***3.6%***
Japan	***3.6%***
Oceania	**5.7%**
New Zealand	***3.2%***
Australia	***2.6%***

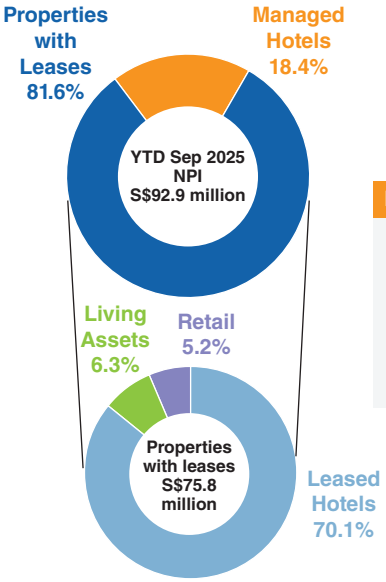


(1) Includes contribution from retail units.
(2) Includes contribution from retail and office units.
(3) On the basis of a 100% interest before adjustment of non-controlling interests.

Approximately 81.6% of CDLHT's YTD September 2025 NPI was derived from properties under lease structures, including living assets, underscoring the resilience of the portfolio's income base.

Net Property Income by Nature for YTD September 2025

Properties with Leases	81.6%
Leased Hotels	***70.1%***
Singapore	49.3%
Maldives	6.0%
Germany[1][2]	5.9%
United Kingdom	3.8%
Italy[2]	2.6%
New Zealand	2.6%
Living Assets	***6.3%***
United Kingdom BTR	3.4%
United Kingdom PBSA	3.0%
Retail	***5.2%***
Singapore	5.2%



Managed Hotels	18.4%
United Kingdom[3]	9.0%
Singapore	5.1%
Japan	3.6%
Australia	3.2%
Maldives	(2.4)%

(1) Includes contribution from retail and office units.
(2) On the basis of 100% interest before adjustment of non-controlling interests.
(3) Includes contribution from retail units.

6.4 Information on the Properties

SINGAPORE

Orchard Hotel

442 Orchard Road, Singapore 238879

Property Details

Number of guest rooms:	656
Number of food & beverage outlets:	Four outlets comprising Hua Ting Restaurant, The Orchard Cafe, Bar Intermezzo and Poolside Snack Bar
Banquet/Conference/Meeting facilities:	A 1,245 sq m pillar-free Orchard Grand Ballroom and 343 sq m of pre-function space, accommodating up to 1,500 guests theatre-style, complemented by three additional breakout function rooms Orchard Grand Ballroom can be converted into three separate smaller ballrooms and comes equipped with two floor-to-ceiling light-emitting diode ("**LED**") walls A Conference Centre with six multi-function rooms, equipped with state-of-the-art facilities
Other facilities:	25m outdoor pool, fitness studio and a destination mall adjoining the hotel – Claymore Connect

Property Details

Car park facilities:	452 car park lots (Car park facilities are shared with Claymore Connect)
Land area:	8,588 sq m (including Claymore Connect)
Gross floor area:	48,191 sq m (including Claymore Connect)
Title:	75-year leasehold interest commencing from 19 July 2006
Valuation[19] as at 31 December 2024:	S$517.0 million

Master Lease Details

Master lessee:	City Hotels Pte. Ltd., a subsidiary of the Sponsor
Term of lease:	20 years from 19 July 2006, expiring 18 July 2026, with an option to renew for another 20 years[20]
Rent:	20% of the hotel's revenue plus 20% of the hotel's gross operating profit, subject to an annual rent floor detailed below
Minimum rental income:	S$10.3 million comprising a fixed rent of S$5.9 million and a service charge of S$4.4 million per annum

Description

Situated on Singapore's busiest shopping street Orchard Road and in proximity to the Orchard MRT Station and the UNESCO-listed Botanic Gardens, Orchard Hotel offers 656 contemporary guest rooms and suites in twin wings, Orchard Wing (325-room) and Claymore Wing (331-room).

The hotel features a host of dining venues and conference facilities. The Grand Ballroom is one of the largest pillar-free ballrooms in Singapore that can seat up to 1,500 people theatre-style. It is also equipped with two floor-to-ceiling LED walls.

Notable Accolades

- BCA Green Mark Award – Gold Plus (2022 – 2025)
- Global Sustainable Tourism Council (GSTC) Certification (2024 – 2026)
- TripAdvisor Travellers' Choice Awards (2021 – 2024)
- Hotel Security Award (2022 – 2024) (Honesty)
- Fire Safety Excellence Award (2024)
- National Safety and Security Watch Group Award (2024)

[19] The property was valued by Knight Frank Pte Ltd using a combination of the Capitalisation and Discounted Cash Flow approaches.

[20] The master lessee has provided notice of its intention to exercise the renewal option and accordingly, the renewed master lease will run for a further 20 years (on the same terms and conditions save for amendments required due to change in law and excluding any further option to renew) commencing upon the expiry of the original lease term.

- SHA Excellent Service Award (2018 – 2024)
- SHA Sustainability Award (2023 – 2024)
- Singapore Tatler Singapore's Best Restaurants | Hua Ting Restaurant (2017 – 2024) | The Orchard Cafe (2020 – 2024)
- Travelers' Choice Award – The Orchard Cafe (2024)
- The Michelin Guide Singapore (Michelin Selected Restaurant) (2019 – 2023) – Hua Ting Restaurant
- World Gourmet Summit (WGS) Awards Hall of Fame (2021): Hua Ting Restaurant

Grand Copthorne Waterfront Hotel
392 Havelock Road, Singapore 169663

Property Details

Number of guest rooms:	549 rooms and 24 serviced apartment suites
Number of food & beverage outlets:	Five outlets comprising Food Capital, SanSara, The Lobby Lounge, Riverside Terrace and Red House Seafood
Banquet/Conference/Meeting facilities:	33 versatile meeting rooms covering 6,200 sq m, including a six-metre high, pillar-free ballroom of 850 sq m and seating up to 600 guests banquet-style and 1,100 guests theatre-style
Other facilities:	Hair, beauty and wellness services, Executive Club Lounge and leisure facilities including a 24-hour fitness centre, padel court, outdoor swimming pool and jacuzzi
Car park facilities:	287 car park lots[21]
Land area:	10,860 sq m (including adjoining Waterfront Plaza)[22]
Gross floor area:	63,496 sq m (including adjoining Waterfront Plaza)[23]
Title:	75-year leasehold interest commencing from 19 July 2006
Valuation[24] as at 31 December 2024:	S$428.0 million

[21] The basement level car park facility was not acquired by H-REIT from CDL. However, the hotel enjoys a right of easement to use the basement level car park facility.

[22] H-REIT leases from CDL: (i) certain areas on the first level of Waterfront Plaza; and (ii) the second level of Waterfront Plaza, which comprises the Waterfront Conference Centre. H-REIT in turn sub-lets these areas to Republic Hotels & Resorts Limited ("**RHRL**"). Rental income received from RHRL is thereafter paid to CDL as rental expense.

[23] Refer to footnote 22.

[24] The property was valued by Knight Frank Pte Ltd using a combination of the Capitalisation and Discounted Cash Flow approaches.

Master Lease Details

Master lessee:	Republic Hotels & Resorts Limited, a subsidiary of the Sponsor
Term of lease:	20 years from 19 July 2006, expiring 18 July 2026, with an option to renew for another 20 years[25]
Rent:	20% of the hotel's revenue plus 20% of the hotel's gross operating profit, subject to an annual rent floor detailed below
Minimum rental income:	S$7.2 million comprising a fixed rent of S$3.0 million and a service charge of S$4.2 million per annum

Description

The 573-room premier deluxe conference hotel offers lifestyle comfort and business enabling conveniences. The hotel has a riverside location in proximity to the business district as well as being across the road from Havelock MRT station. Incorporated in the hotel are 24 serviced apartment suites with high ceilings. With one of the largest and best-designed meeting facilities in Singapore, the hotel is a choice venue for many multinational organisations. The hotel is one of the pre-eminent conference hotels in Singapore, having undertaken a complete renovation of its conference facilities and guest rooms in 2023.

Notable Accolades

- BCA Green Mark Award – Gold Plus (2025 – 2028)
- Global Sustainable Tourism Council (GSTC) Certification (2024 – 2026)
- Singapore Hotel Sustainability Award (2023 – 2025)
- WELL Health-Safety Rating (HSR) (2023 – 2025)
- National Fire and Emergency Preparedness Council Fire Safety Excellence Award (2024)
- TripAdvisor Travellers' Choice Awards (2023)
- TripAdvisor Travellers' Choice Best of the Best Award (2020 – 2021)
- International Hotel Awards, Best Convention Hotel, Singapore (2018 – 2020)
- International Hotel Awards, Best Luxury Hotel, Singapore (2018 – 2020)

[25] The master lessee has provided notice of its intention to exercise the renewal option and accordingly, the renewed master lease will run for a further 20 years (on the same terms and conditions save for amendments required due to change in law and excluding any further option to renew) commencing upon the expiry of the original lease term.

M Hotel
81 Anson Road, Singapore 079908

Property Details

Number of guest rooms:	415
Number of food & beverage outlets:	Five outlets comprising Café 2000, The Buffet Restaurant, Tea Bar, The Inn Livehouse and Hokkaido Sushi Restaurant
Banquet/Conference/Meeting facilities:	A banquet suite with a maximum capacity of 350 guests theatre-style (with stage), featuring three state-of-the-art panoramic LED video walls, intelligent lighting, and a concert-quality sound system 14 multi-function rooms equipped with complete meeting facilities
Other facilities:	32 fully furnished office suites with modern business and IT facilities at Level 8 Office Suites & Business Centre The Waterfloor features a wellness spa, an outdoor swimming pool with jacuzzi and a 24-hour gymnasium
Car park facilities:	224 car park lots and 40 motorcycle lots
Land area:	2,134 sq m
Gross floor area:	32,379 sq m
Title:	75-year leasehold interest commencing from 19 July 2006
Valuation[26] as at 31 December 2024:	S$272.0 million

Master Lease Details

Master lessee:	Harbour View Hotel Pte. Ltd., a subsidiary of the Sponsor
Term of lease:	20 years from 19 July 2006, expiring 18 July 2026, with an option to renew for another 20 years[27]
Rent:	20% of the hotel's revenue plus 20% of the hotel's gross operating profit, subject to an annual rent floor detailed below
Minimum rental income:	S$6.1 million comprising a fixed rent of S$3.9 million and a service charge of S$2.2 million per annum

[26] The property was valued by Knight Frank Pte Ltd using a combination of the Capitalisation and Discounted Cash Flow approaches.

[27] The master lessee has provided notice of its intention to exercise the renewal option and accordingly, the renewed master lease will run for a further 20 years (on the same terms and conditions save for amendments required due to change in law and excluding any further option to renew) commencing upon the expiry of the original lease term.

Description

M Hotel, one of Singapore's premier business hotels, is strategically located in the heart of the financial district and close to government offices, the Integrated Resorts, Sentosa, Chinatown and Marina Bay. It is also located within walking distance to the Tanjong Pagar MRT station.

The hotel has 415 rooms designed for business travellers with modern technological amenities. The hotel's prime location, as well as its variety of function areas equipped with the state-of-the-art audio and visual facilities, makes it a favoured venue for corporate meetings, social events and weddings.

Notable Accolades

- BCA Green Mark Award – Gold Plus (2021 – 2026)
- Global Sustainable Tourism Council (GSTC) Certification (2024 – 2026)
- Singapore Hotel Sustainability Award (2023 – 2025)
- WORLDiary Collection (2023 – 2024) – Best Business & MICE Hotel
- WELL Health-Safety Rating (HSR) (2023 – 2024)
- Hotel Security Awards (2023)
- SkillsFuture Employer Awards 2022 (Silver)
- Certificate of Commendation (COVID-19)

Copthorne King's Hotel
403 Havelock Road, Singapore 169632

Property Details

Number of guest rooms:	311
Number of food & beverage outlets:	Three outlets comprising Tien Court Restaurant, Princess Terrace Café and Connections Lounge
Banquet/Conference/Meeting facilities:	Seven fully equipped function rooms that can be easily configured to various meeting arrangements
Other facilities:	Landscaped outdoor pool and jacuzzi, mini putting green, gymnasium, sauna and steam bath
Car park facilities:	77 car park lots
Land area:	5,637 sq m
Gross floor area:	17,598 sq m
Title:	99-year leasehold interest commencing from 1 February 1968
Valuation[28] as at 31 December 2024:	S$146.0 million

[28] The property was valued by Knight Frank Pte Ltd using a combination of the Capitalisation and Discounted Cash Flow approaches.

Master Lease Details

Master lessee:	Republic Hotels & Resorts Limited, a subsidiary of the Sponsor
Term of lease:	20 years from 19 July 2006, expiring 18 July 2026, with an option to renew for another 20 years[29]
Rent:	20% of the hotel's revenue plus 20% of the hotel's gross operating profit, subject to an annual rent floor detailed below
Minimum rental income:	S$2.8 million comprising a fixed rent of S$0.6 million and a service charge of S$2.2 million per annum

Description

Copthorne King's Hotel has 311 elegantly appointed rooms, accompanied with award-winning restaurants, fully equipped function rooms that can be configured to various meeting arrangements.

The hotel is conveniently located three minutes away from the Havelock MRT Station. It is also a five to eight minutes short walking distance to the entertainment precincts of Robertson Quay, Clarke Quay and Boat Quay while being in proximity to Singapore's Central Business District.

Notable Accolades

- BCA Green Mark Award – Platinum (2022 – 2025)
- Global Sustainable Tourism Council (GSTC) Certification (2024 – 2026)
- Singapore Tourism Award 2022 – Best Innovation Award
- SkillsFuture Employer Award 2022 (Silver)
- Eco Food & Beverages Award 2022
- Hotel Security Award 2022 (Honesty/Bravery/Vigilance)

[29] The master lessee has provided notice of its intention to exercise the renewal option and accordingly, the renewed master lease will run for a further 20 years (on the same terms and conditions save for amendments required due to change in law and excluding any further option to renew) commencing upon the expiry of the original lease term.

Studio M Hotel
3 Nanson Road, Singapore 238910

Property Details

Number of guest rooms:	360
Number of food & beverage outlets:	Two outlets – MEMO and Breeze
Meeting facility:	One meeting room
Other facilities:	Recreational facilities incorporating a 25-metre lap pool, a jacuzzi jet pool, an open-air gymnasium and three cabanas
Car park facilities:	30 car park lots
Land area:	2,932 sq m
Gross floor area:	8,259 sq m
Title:	99-year leasehold interest commencing from 26 February 2007
Valuation[30] as at 31 December 2024:	S$206.0 million

Master Lease Details

Master lessee:	Republic Iconic Hotel Pte. Ltd., a subsidiary of the Sponsor
Term of lease:	20 years from 3 May 2011, expiring 2 May 2031, with: (i) an option to extend the lease for a first additional term of 20 years commencing immediately after the expiry of the initial term; (ii) an option to extend the lease for a second additional term of 20 years commencing immediately after the expiry of the first additional term; and (iii) an option to extend the lease for a third additional term of 10 years commencing immediately after the expiry of the second additional term.
Rent:	30% of the hotel's revenue plus 20% of the hotel's gross operating profit, subject to an annual rent floor detailed below
Minimum rental income:	Fixed rent of S$5.0 million

[30] The property was valued by Knight Frank Pte Ltd using a combination of the Capitalisation and Discounted Cash Flow approaches.

Description

Studio M Hotel is a unique and stylised lifestyle hotel in Singapore that blends modern design with functionality. It is the first loft-inspired Singapore hotel that occupies a prime and vibrant location in the city, situated near both the Central Business District of Singapore and Orchard Road. It is also within walking distance of the Havelock MRT station. The lifestyle hotel offers a great leisure getaway or business stay in the iconic entertainment precinct of Robertson Quay.

Notable Accolades

- Global Sustainable Tourism Council (GSTC) Certification (2024 – 2026)
- IM First Class – The Gold List Best Design Hotel (2022)
- PUB Water Efficient Building Basic Award (2010 – 2022)
- Hotel Security Excellence Award (2018 – 2021)

W Singapore – Sentosa Cove
21 Ocean Way, Singapore 098374

Property Details

Number of guest rooms:	240
Number of food & beverage outlets:	Five outlets comprising SKIRT, the kitchen table, WOOBAR, W Lounge and WET Deck
Banquet/Conference/Meeting facilities:	Eight versatile meeting spaces covering more than 1,800 sq m The ballroom of 720 sq m with a capacity of up to 480 guests banquet-style and 500 guests theatre-style, features an LED screen of 14 x 5 metres that can be split into two screens
Other facilities:	AWAY Spa, a luxury spa facility; FIT, a 235 sq m, state-of-the-art gym with panoramic garden views through floor-to-ceiling windows; WET Deck/Pool, one of Singapore's largest free-form outdoor pools, open 24-hours daily; and WIRED, a contemporary business centre as well as 10 boat berth spaces
Car park facilities:	121 car park lots[31]
Land area:	17,016 sq m
Gross floor area:	25,374 sq m

[31] The W Singapore – Sentosa Cove property includes a basement carpark which comprises 121 carpark lots. The basement carpark is connected to the 78 carpark lots owned by neighbouring property known as Quayside Isle. Taking into account the Quayside Isle basement carpark lots, there are in total 199 lots available for public use.

Property Details

Title:	99-year leasehold interest commencing from 31 October 2006
Valuation[32] as at 31 December 2024:	S$332.0 million

Hotel Management Agreement Details

Operator:	Starwood Asia Pacific Hotels & Resorts Pte. Ltd., a wholly owned subsidiary of Marriott International, Inc.
Term of hotel management agreement:	Approximately 20.3 years from 16 September 2012, expiring 31 December 2032, with options for CDLHT to renew for four consecutive periods of five years each

Description

W Singapore – Sentosa Cove is located in a luxury waterfront precinct. A vibrant resort island for business and leisure, Sentosa has over 30 themed attractions, some 200 F&B and retail outlets, a mega integrated resort, two world class golf courses, a yachting marina, and more.

A luxury lifestyle hotel with 240 guest rooms, the hotel has won several accolades and has an expansive view of the marina and seafront. The hotel also offers a comprehensive suite of facilities including a ballroom, function rooms, swimming pool, spa, restaurants and bars. In addition to its appeal for leisure guests, the resort is an ideal destination for corporate incentive and meeting groups. Featuring state-of-the-art meeting facilities, it offers an exceptional venue for business events, conferences and corporate retreats.

The lobby area of the hotel was augmented with a vibrant W Lounge in August 2023 incorporating a new coffee and pastry counter. The transformation of the hotel's ballroom and meeting facilities was completed in September 2023 with the addition of a 14m x 5m LED screen.

The hotel is currently undergoing a comprehensive renovation of all its rooms, which is targeted for substantial completion by end 2025. The rejuvenated rooms will reinforce the hotel's competitive position in the luxury lifestyle segment.

Notable Accolades

- EarthCheck Silver Certificate (2025 – 2026)
- Singapore Hotel Sustainability Award (2023 – 2025)
- Condé Nast Traveler Readers' Choice Awards 2025 – Ranked first among the Top 10 hotels in Singapore and 35th among the Best Hotels in the World
- World Luxury Awards 2024 – Best Global Luxury Wellness Resort | Best Luxury Resort in Singapore
- World Travel Awards 2024 – Singapore's Leading Resort

[32] The property was valued by Knight Frank Pte Ltd using a combination of the Capitalisation and Discounted Cash Flow approaches.

- Forbes Travel Guide Verified Luxury 2024 – Recommended Hotel
- Tatler Dining Award 2024 – SKIRT
- RAS Epicurean Star Awards 2024 – the kitchen table – Winner of Best Brunch Restaurant

Claymore Connect
442 Orchard Road, Singapore 238879

Property Details

Net lettable area (including Galleria):	Approximately 7,187 sq m
Car park facilities:	The car park facilities are shared with Orchard Hotel
Title:	75-year leasehold interest commencing from 19 July 2006
Valuation[33] as at 31 December 2024:	S$120.0 million

Property Management Agreement Details

Operator:	CBRE Pte. Ltd.
Term of property management agreement:	Three years from 1 January 2025, expiring 31 December 2027, with options to renew for further periods of one year each (subject to mutual agreement between the parties)

Description

Claymore Connect is a family-friendly mall located within a short walking distance from Orchard MRT station. Its main entrance is along Claymore Road, with direct access to Orchard Hotel from the mall's mezzanine floor and Level 2.

The mall caters to the captive residential population in the nearby precincts of Tanglin, Orchard and Claymore. Orchard Hotel guests also enjoy the convenience of the F&B outlets, beauty, wellness and lifestyle services at the mall.

Apart from the anchor tenant Cold Storage, Claymore Connect features tenants such as MapleBear Singapore – an early education centre, Athletic Collective – a premier sports gym offering athlete-first training by former athletes and Wonderlit Education Centre – a creative enrichment space for young children.

[33] The property was valued by Knight Frank Pte Ltd using a combination of the Capitalisation and Discounted Cash Flow approaches.

AUSTRALIA

Mercure Perth
10 Irwin Street, Perth

Property Details

Number of guest rooms:	239
Number of food & beverage outlets:	Three outlets comprising Beccaria Bar, Beccaria Restaurant and Cucina on Hay
Banquet/Conference/Meeting facilities:	Dedicated conference floor on level 1 with six separate function rooms accommodating up to 350 delegates
Other facilities:	Large, heated rooftop swimming pool and gym
Car park facilities:	32 car park lots
Land area:	757 sq m
Gross floor area:	22,419 sq m
Title:	Strata Freehold
Valuation[34] as at 31 December 2024:	A$49.5 million

Hotel Management Agreement Details

Operator:	AAPC Properties Pty Limited
Term of hotel management agreement:	10 years from 1 May 2021, expiring 30 April 2031, with options to renew for two terms of five years each (subject to mutual agreement between the parties)

Description

Mercure Perth is strategically located in the heart of Perth city, just a short stroll from the Swan River, Hay & Murray Street Malls, Perth Mint and Supreme Court Gardens, amongst many of Perth's attractions.

Mercure Perth features 239 well-appointed rooms, along with three F&B outlets. This hotel has copious number of meeting rooms available with modern audiovisual ("**AV**") technology, accommodating up to 350 delegates. In 2024, Mercure Perth completed a soft refurbishment of 123 West Tower rooms which includes new beds, carpets, LED lighting and curtains. The upgrading of the conference furniture, new blinds and window glazing has enhanced the conference product.

Notable Accolades

- Eco Tourism Australia – Sustainable Tourism Certification (2024 – 2025)

[34] This property was valued by CBRE Valuations Pty Limited using a combination of the Capitalisation and Discounted Cash Flow approaches.

Ibis Perth
334 Murray Street, Perth

Property Details

Number of guest rooms:	192
Number of food & beverage outlets:	Newly refurbished dining area Chelsea Social, comprising two outlets, Chelsea Bar and Dining Hall
Banquet/Conference/Meeting facilities:	Three function rooms for up to 200 guests
Other facilities:	Business centre and gym
Car park facilities:	13 car park lots
Land area:	1,480 sq m
Gross floor area:	9,650 sq m
Title:	Freehold
Valuation[35] as at 31 December 2024:	A$42.0 million

Hotel Management Agreement Details

Operator:	AAPC Properties Pty Limited
Term of hotel management agreement:	10 years from 1 May 2021, expiring 30 April 2031, with options to renew for two terms of five years each (subject to mutual agreement between the parties)

Description

Ibis Perth is located 300 metres from the prime Murray and Hay Street shopping precinct and a short walk to Raine Square, Palace Cinema Complex and Yagan Square. The hotel offers a full-service breakfast restaurant, casual bar and function rooms catering for up to 200 guests.

The hotel recently concluded extensive renovations, which covered the main lobby, all 192 guest rooms and a new gym. A fresh restaurant and bar concept Chelsea Social was introduced to complement the conference rooms' rejuvenation to create a cohesive event space and street facing dining. The AEIs will elevate the hotel, allowing it to be repositioned as the hotel of choice in Perth's Central Business District.

Notable Accolades

- National Australian Built Environment Rating System (NABERS) (2024 – 2025)
  - Energy – 4 stars
  - Water – 3.5 stars

[35] This property was valued by CBRE Valuations Pty Limited using a combination of the Capitalisation and Discounted Cash Flow approaches.

NEW ZEALAND

Grand Millennium Auckland
71-87, Mayoral Drive, Auckland 1010

Property Details

Number of guest rooms:	453
Number of food & beverage outlets:	Five outlets in the new Grand Dining Precinct, comprising Katsura Restaurant for Japanese cuisine, Ember for contemporary cuisine, Dans le Noir? a unique dining in the dark experience, Estelle's lounge and The Aviary lobby bar
Banquet/Conference/Meeting facilities:	15 versatile spaces boasting over 1,619 sq m to cater to both intimate gatherings and grand events, suitable for up to 1,000 delegates. Highlights include a newly renovated ballroom with a capacity of 550, ideal for galas, conferences and receptions with sophisticated style and advanced technology
Other facilities:	Full serviced business centre
Car park facilities:	259 car park lots
Land area:	5,910 sq m
Title:	Freehold
Valuation[36] as at 31 December 2024:	NZ$219.0 million

Master Lease Details

Master lessee:	Hospitality Services Limited, a subsidiary of Millennium & Copthorne Hotels New Zealand Limited
Term of lease:	Three years from 7 September 2016 with options to renew for two further 3-year terms each. Lease renewed for third 3-year term from 7 September 2022, expiring 6 September 2025 The lease is currently on holdover on the same terms following the expiry of the third three-year lease term on 6 September 2025, while the new lease documentation is being finalised.
Rent:	Net operating profit of the hotel, subject to annual base rent floor detailed below
Minimum rental income for current term:	Zero for the first two years of the term and NZ$2.0 million for the third year

[36] This property was valued by CBRE Limited using a combination of the Capitalisation and Discounted Cash Flow approaches.

Description

The 453-room Grand Millennium Auckland is a prime 12-storey atrium-styled hotel located in New Zealand's main gateway city. The property is one of the largest hotels in the city comprising extensive conference facilities. It is situated in the heart of Auckland, only 600 metres south of the Sky City entertainment complex, and is located minutes away from all major commercial buildings and the University of Auckland.

A key highlight of the hotel's location is its proximity to Auckland's prime convention precinct which comprises four of Auckland's finest venues: Aotea Centre, The Civic, Auckland Town Hall and Aotea Square. The hotel is also within walking distance to the casino and the upcoming New Zealand International Convention Centre which is due to open in early 2026. It is an ideal base for all travellers.

The hotel completed the refurbishment of the all-day dining restaurant and the lobby lounge in late 2023. Its stunning ballroom transformation concluded in April 2024, coinciding with the commencement of the first phase of guest room renovations, which wrapped up in November 2024. Renovation works at the atrium bar have been completed, with the remaining public areas and the final phase of room refurbishments set to finish in 2025.

Notable Accolades

- Qualmark Gold Sustainability Award (2025)
- Qualmark Assessment 2025 – 5 stars (2025)
- TripAdvisor Certificate of Excellence (2012 – 2021)

MALDIVES

Angsana Velavaru
Velavaru Island, South Nilandhe Atoll, Republic of Maldives

Property Details

Number of Villas:	79 Beachfront Villas, 34 InOcean Villas
Number of food & beverage outlets:	Four outlets comprising Kaani Restaurant, Funa Restaurant, Azzurro Restaurant and Bar, Kuredi Pool Bar
Other facilities:	Angsana Spa & Gallery, Swimming Pool, Marine Conservation Lab, PADI 5 Star Gold Palm Dive Centre, Watersports Centre, Kids Club, Wedding Pavilion, Gym, and Medical Center
Land area:	67,717 sq m
Title:	99-year leasehold interest commencing from 26 August 1997
Valuation[37] as at 31 December 2024:	US$57.0 million

[37] This property was valued by Colliers International Consultancy & Valuation (Singapore) Pte Ltd using the Discounted Cash Flow approach.

Master Lease Details

Master lessee:	Maldives Bay Pvt Ltd, a subsidiary of Banyan Tree Holdings Limited
Term of lease:	10 years from 1 February 2023, expiring 31 January 2033
Rent:	Hotel's gross operating profit less lessee's management fee, subject to minimum rent detailed below
Minimum rental income:	Minimum rent of US$6.0 million per year guaranteed by Banyan Tree Holdings Limited, subject to maximum rent reserve of US$6.0 million during the term of the lease

Description

The Maldives is a nation of coral islands scattered across the Indian Ocean, consisting 26 natural atolls with over 1,100 islands. The Maldives' tropical climate, white beaches, rich marine environment, "one-island-one-resort" concept and ease of accessibility from Europe, the Middle East and Asia have firmly established the island paradise as a top-tier destination for luxury tourism.

The property is located at the southern edge of the Maldives archipelago in the South Nilandhe Atoll. It occupies the island of Velavaru, one of the more intimate lagoons in the Maldives. The Angsana Velavaru resort is a 40-minute scenic seaplane ride from Malé International Airport. It comprises 79 Beachfront Villas and 34 InOcean Villas, providing guests the opportunity to enjoy two distinct experiences at one resort.

Notable Accolades

- South Asian Travel Awards 2024 – Leading Eco-Friendly Resort
- Condé Nast Traveler Readers' Choice Awards 2024 – Top 20 Resorts in the Indian Ocean
- Travel Trade Maldives' Best Honeymoon Destination 2023
- TripAdvisor Travellers' Choice Awards 2023

The Halcyon Private Isles Maldives, Autograph Collection
Meradhoo Island, Gaafu Alifu Atoll, Republic of Maldives

Property Details

Number of villas:	21 Island Villas, 16 Overwater Villas, and one three-bedroom manor – The Halcyon Grand Estate
Number of food & beverage outlets:	Three restaurants comprising Thari, Yuzu and The Firepit and two bars comprising Bell Bar and Yapa Sunset Bar
Other facilities:	PADI 5 Star dive and water sports centre, padel court, Halcyon Spa, kids club, overwater fitness and yoga studio, two infinity edge pools, 24-hour butler service and resort boutique
Land area:	53,576 sq m
Title:	99-year leasehold interest commencing from 15 June 2006
Valuation[38] as at 31 December 2024:	US$46.0 million

Hotel Management Agreement Details

Operator:	Apara Hotel Management Maldives Pvt Ltd
Term of hotel management agreement:	5 years and 2 months from 1 November 2025, expiring 31 December 2030

Description

The Halcyon Private Isles Maldives, Autograph Collection[39] is located at the southern edge of the Maldives archipelago in the Gaafu Alifu Atoll, occupying the exclusive Meradhoo Island and its surrounding crystal clear lagoon. The resort boasts two healthy reefs, home to abundant exotic marine wildlife. The resort is accessible via a 90-minute direct seaplane flight from Malé or can also be reached via a domestic flight from Malé International Airport to Kaadedhdhoo Airport or Kooddoo Airport, followed by a speedboat journey. Private jets can land at Gan International Airport and connect to the resort via seaplane or speedboat.

The 38-villa luxury resort offers two distinct experiences, a private island with 22 island villas (including a one three-bedroom manor – The Halcyon Grand Estate), and an overwater enclave with 16 villas. The one to two-bedroom villas range from approximately 220 to 300 sq m, each with its own private pool. The resort's overwater villas boast high ceilings and full-length floor-to-ceiling windows that provide panoramic views of the Indian Ocean from the bedroom, bathroom and living room. The Halcyon Grand Estate features 1,250 sq m of ultra-luxury space, complete with a rooftop terrace, a 40-metre private infinity pool and direct lagoon access.

In 2024, the hotel underwent a minor refurbishment to refresh its spa, arrival jetty and the Yuzu restaurant.

[38] This property was valued by Colliers International Consultancy & Valuation (Singapore) Pte Ltd using the Discounted Cash Flow approach.

[39] Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.

Notable Accolades

- Green Globe Certified (2023 – 2026)

JAPAN

Hotel MyStays Asakusabashi
1-5-5 Asakusabashi, Taito-Ku, Tokyo 111-0053

Property Details

Number of guest rooms:	139
Other facilities:	One convenience store
Car park facilities:	Six car park lots
Land area:	564 sq m
Title:	Freehold
Valuation[40] as at 31 December 2024:	¥6.10 billion

Hotel Management Agreement Details

Operator:	MyStays Hotel Management Co., Ltd.
Term of hotel management agreement:	Three-year auto-renewal basis, unless terminated with notice

Description

Just a two-minute walk from JR Asakusabashi Station, Hotel MyStays Asakusabashi offers excellent connectivity, with direct access to Narita and Haneda airports via the Toei Asakusa Line. Near the historic Asakusa district, home to Sensoji Temple and traditional markets, and the dynamic Akihabara area, the hotel is an ideal base for travellers. The hotel offers a range of comfortable rooms, including the Japanese Modern Room, which features a warm, minimalist design inspired by traditional Japanese aesthetics. All rooms include complimentary Wi-Fi, air conditioning, and memory foam pillows for added comfort. Guests also benefit from a 24-hour on-site store and laundry facilities.

Hotel MyStays Kamata
5-46-5 Kamata, Ota-Ku, Tokyo 144-0052

Property Details

Number of guest rooms:	116
Car park facilities:	Six car park lots
Land area:	497 sq m
Title:	Freehold
Valuation[41] as at 31 December 2024:	¥3.28 billion

[40] This property was valued by Cushman & Wakefield K.K. using a combination of the Capitalisation and Discounted Cash Flow approaches.

[41] This property was valued by Cushman & Wakefield K.K. using a combination of the Capitalisation and Discounted Cash Flow approaches.

Hotel Management Agreement Details

Operator:	MyStays Hotel Management Co., Ltd.
Term of hotel management agreement:	Three-year auto-renewal basis, unless terminated with notice

Description

A five-minute walk from JR Kamata Station and 10 minutes via Keikyu Line from Haneda Airport, Hotel MyStays Kamata offers travellers easy access to Tokyo's key destinations such as Shinagawa and Shibuya. Located near three vibrant shopping arcades, the hotel provides access to diverse dining options and local shops, appealing to both business guests and leisure visitors. Rooms feature complimentary Wi-Fi and wide desks, with select rooms equipped with kitchenettes for extended stays. Guests can also enjoy free freshly ground coffee in the lobby, and complimentary laundry. With its ideal location and thoughtful amenities, Hotel MyStays Kamata ensures a comfortable stay in Tokyo.

UNITED KINGDOM

Hilton Cambridge City Centre
20 Downing Street, Cambridge CB2 3DT

Property Details

Number of guest rooms:	198
Number of food & beverage outlets:	Two outlets comprising Bull & Bass Restaurant and the Piano Bar
Banquet/Conference/Meeting facilities:	501 sq m of event space comprising five function rooms and atrium public space
Other facilities:	Executive Lounge, LivingWell Fitness Gym, 24-hour In-room Dining, Concierge, and the Bar Oh concession – a private music event club & cocktail bar
Car park facilities:	58 car park lots with valet car parking
Land area:	Approximately 3,600 sq m
Title:	125-year leasehold interest commencing from 25 December 1990[42]
Valuation[43] as at 31 December 2024:	£59.5 million

Hotel Management Agreement Details

Operator:	Hilton UK Manage Limited, an affiliate of Hilton Worldwide Inc.
Term of hotel management agreement:	Approximately 12.3 years from 1 October 2015, expiring 31 December 2027

[42] The lease term may be extended for a further term of 50 years pursuant to lessee's (CDL Hospitality Trusts) option to renew under the lease granted by the head lessor (Cambridge City Council).

[43] The property was valued by Colliers International Consultancy & Valuation (Singapore) Pte Ltd using the Discounted Cash Flow approach.

Description

Hilton Cambridge City Centre is an upper upscale hotel with 198 rooms, and arguably the best located and largest premium hotel in Cambridge City Centre. It boasts a prime location in the heart of the city, being 1.6 km from Cambridge railway station and is situated beside the main shopping precinct and historic attractions. It is also within the vicinity of popular tourist destinations such as King's College, Trinity College, Fitzwilliam Museum, Cambridge University Botanic Gardens, many museums and the River Cam. The Grand Arcade Shopping Centre, the city's largest shopping mall, is also adjacent to the property.

Notable Accolades

- SME Cambridgeshire Business Award 2024 – Business of the Year (More than 50 Employees)
- Cambridge Independent Business Awards 2024 – Hospitality Business of the Year 2024 (Winner) and Green Award 2024 (Highly Recommended)
- C.I.E. Group Tours Award of Excellence 2024
- TripAdvisor Certificate of Excellence (2015 – 2024)
- TripAdvisor GreenLeaders GreenPartner (2019 – 2024)
- Hotels.comTM Certificate of Excellence (2017 – 2023)
- Cambridge BID Awards 2022 – Best Overall Customer Experience (Runner-up – Overnight Accommodation)

The Lowry Hotel
50 Dearmans Place, Salford, Manchester M3 5LH

Property Details

Number of guest rooms:	165
Number of food & beverage outlets:	Two outlets comprising The River Restaurant and The Lowry Lounge and Bar
Banquet/Conference/Meeting facilities:	Eight purpose-built meeting rooms for weddings, private events or business conferences and a Grand Ballroom to entertain up to 300 people
Other facilities:	A Wellness Sanctuary comprising a gym, six treatment rooms, a yoga studio, cryotherapy chamber, floatation tank and Somadome meditation pod, as well as a hair salon
Car park facilities:	88 car park lots Coach parking (up to 6 coaches)
Land area:	Approximately 2,200 sq m
Title:	150-year leasehold interest commencing 18 March 1997
Valuation[44] as at 31 December 2024:	£46.0 million
Operational Arrangement:	Owner-operated

[44] The property was valued by Colliers International Consultancy & Valuation (Singapore) Pte Ltd using the Discounted Cash Flow approach.

Description

Nestled along the banks of the River Irwell, The Lowry Hotel is an iconic five-star luxury destination, renowned for its elegance and exceptional hospitality. The lifestyle hotel features 165 rooms with floor-to-ceiling windows that offer stunning city or river views. Among its accommodations are 10 suites, including the prestigious Presidential Suite, which boasts a grand piano, a walk-in dressing room, and a freestanding bath, ensuring an unmatched level of luxury for the most discerning guests.

The hotel boasts a prime central location in Manchester city centre, providing excellent transport links. It is steps away from popular attractions like the AO Arena, Spinningfields (Manchester's financial and dining hub), and the bustling Arndale Shopping Centre. Cultural and entertainment venues such as the Royal Exchange Theatre and Manchester Opera House are within walking distance, making it a perfect choice for both leisure and business travellers seeking convenience and entertainment.

The Lowry Hotel is also well-known throughout the UK and since its opening in 2001, the hotel has hosted many notable celebrities, prominent foreign dignitaries, sports stars as well as prestigious football teams.

Notable Accolades

- This is Manchester Awards 2024 – Leading Hotel of The Year
- Good Spa Guide 2024 – Bubble Rating of 5 Bubbles for RE:TREAT
- The AA Rosette Award (2018 – 2024) – The River Restaurant (Two Rosettes)
- I Love Manchester Awards 2023 – Most-Loved Hotel
- The Cateys 2023 – Best use of Technology
- Manchester's Finest 2018 – Best Restaurant in Manchester

voco Manchester – City Centre
57 & 59 Portland Street, Manchester M1 3HP

Property Details

Number of guest rooms:	189
Number of food & beverage outlets:	Two outlets comprising Runyon's Bar & Restaurant and Salvation Bar
Banquet/Conference/Meeting facilities:	Three meeting rooms (which can be combined and accommodate up to 180 people theatre style)
Other facilities:	Casino with restaurant and bar
Land area:	Approximately 1,438 sq m
Title:	Approximately 197-year leasehold interest commencing 7 May 2021 and expiring on 26 June 2218
Valuation[45] as at 31 December 2024:	£26.0 million

[45] The property was valued by Colliers International Consultancy & Valuation (Singapore) Pte Ltd using the Discounted Cash Flow approach.

Occupational Lease Details

Occupational lessee:	HLD (Manchester) Limited
Term of lease:	60 years commencing from 7 May 2021[46]
Rent:	Full repairing and insuring occupational lease arrangement, subject to upward-only annual rent revision broadly based on inflation
Minimum rental income:	Fixed rent of £2.74 million[47]

Description

voco Manchester – City Centre is a four-star upscale lifestyle hotel located at the heart of Manchester city centre offering 189 guest rooms. The hotel appeals to both corporate and leisure guests being within walking distance to the central business district (Spinningfields), as well as popular tourist attractions such as the Manchester Art Gallery, retail areas such as Market Street and Manchester Arndale, as well as entertainment hubs such as the AO Arena and Co-op Live Arena. It is within a two-minute walk to Oxford Road train station and eight-minute walk to Manchester Piccadilly, Manchester's main train station, and approximately 13.4 kilometres (20-minute drive) from the Manchester Airport.

Notable Accolades

- BREEAM New Construction "Very Good" Rating
- TripAdvisor Travellers' Choice Awards 2024 | Best of The Best | Top 1% of Hotels Worldwide
- Luxury Lifestyle Magazine Readers' Travel Awards (UK) | Best Hotel for Design (2020 & 2022) | Best City Hotel (2020 – 2022) | Best Hotel for Business (2022) | Best Hotel for Families (2022) | Best Hotel for Food (2022)
- Condé Nast Traveller Readers' Choice Awards 2021 | Top 30 Best Hotels in UK
- Catey's Accessibility Award (2021)
- itravel Staycation Awards 2020 | Hotel of the Year

Hotel Indigo Exeter

3 Catherine Street, Exeter EX1 1EU & Units 1 – 4 Colson's Parade, High Street, Exeter EX4 3LN

Property Details

Number of guest rooms:	104
Number of food & beverage outlets:	Three outlets comprising Colson's Bar & Grill, Dugout Bar and Becketts (rooftop bar)

[46] The occupational lease has a term commencing on 7 May 2021 and expiring on 6 May 2081 with a break option exercisable by the occupational lessee on 15 January 2045 and then on every fifth anniversary from that date, by providing at least six months' prior notice to CDL Hospitality Trusts.

[47] Pursuant to the occupational lease, the fixed rent applicable for 7 May 2025 to 6 May 2026 is £2.74 million. The fixed rent is subject to an annual upward-only rent review broadly based on inflation.

Property Details

Meeting facility:	One meeting room (accommodates up to 12 people)
Other facilities:	Fitness suite, and luxury spa featuring two Hydropool hot tubs, sauna and steam room Two retail units
Land area:	Approximately 1,250 sq m
Title:	Freehold
Valuation[48] as at 31 December 2024:	£19.5 million

Hotel Management Agreement Details

Operator:	Michels & Taylor (London) Limited
Term of hotel management agreement:	Approximately 10.2 years from 6 November 2024, expiring to 31 December 2034

Description

The freehold property consists of an upscale lifestyle boutique hotel, Hotel Indigo Exeter, with 104 rooms and two tenanted retail units. The hotel underwent an extensive conversion from a House of Fraser department store and fully opened in October 2023, showcasing modern and contemporary design elements with high-quality finishes. It features three F&B outlets (a restaurant, sports bar and rooftop bar), a luxurious spa and sauna, gym and meeting room. The two retail units are currently tenanted out and the existing leases will continue until 2033 on a fixed rent basis with tenant break options in June 2028 and March 2029 respectively.

Becketts, Exeter's most exclusive rooftop destination, provides a refined setting away from the city's lively streets. This intimate venue offers a relaxing atmosphere, complemented by panoramic views of the city, with a viewing platform overlooking the Cathedral, making it an ideal spot to unwind with a drink.

Operating under the "Hotel Indigo" brand, which is part of the InterContinental Hotels Group, the hotel offers a unique experience combining local heritage with modern design, a reflection of the neighbourhood it calls home. From thoughtfully designed public spaces to stunning guest rooms, each moment offers a deeper connection to Exeter's rich history and vibrant culture.

Nestled in the heart of Exeter, the hotel is on the doorstep of the main retail high street and the Princesshay Shopping Centre, the city's premier shopping destination. The property is also close to the commercial district, major transport nodes and iconic attractions. The nearby University of Exeter will attract leisure travellers from visiting parents and guests during graduation months.

[48] The property was valued by CBRE Limited using the Discounted Cash Flow method for the hotel component and Capitalisation method for the retail component.

Notable Accolades

- Exeter Living Awards 2024 for Leisure & Tourism and New Business | Finalist
- Best of British Getaway Awards 2023 | Best Luxury Spa in Devon

The Castings (Residential BTR)
9 Heyrod Street, Manchester M1 2DY

Property Details

Number of apartments:	352
Amenity spaces:	Internal and external common amenity spaces which will include a gym, fitness studio, cinema room, resident lounge, games room, co-working and meeting spaces, a private dining room with kitchen and roof terrace
Other facilities:	352 bicycle parking spaces Four ground floor commercial retail spaces (Approximately 398 sq m)
Car park facilities:	20 car park lots
Gross Internal area:	Approximately 28,577 sq m
Title:	Freehold
Valuation[49] as at 31 December 2024:	£92.0 million
Opening Date:	16 July 2024

Property Management Agreement Details

Operator:	Native Residential Limited
Term of property management agreement:	5 years from 4 June 2024, expiring 3 June 2029

Description

The Castings is a residential development comprising 352 apartment units, including a mix of studios, one-, two- and three-bedroom units, with a total residential net internal area of 20,370 sq m.

The property is located in Piccadilly East, a rapidly emerging mixed-use neighbourhood focused on providing a high quality public realm, vibrant ground floor activity and some of the best connectivity, working and living environments in the city. In addition, The Castings is minutes from the highly popular districts of Ancoats, The Northern Quarter and New Islington.

[49] The valuation of this investment property was carried out by Knight Frank LLP using the comparative and investment methods.

The Castings is located within two kilometres from the Manchester's central business district and boasts convenient accessibility, being within a nine-minute walk to Manchester Piccadilly Station, which is the main train station in Manchester that has direct access to the airport and links Manchester to London and other major cities across the UK. The Manchester Piccadilly Station is served by the local Manchester Metrolink and bus lines, offering ease of travel to Spinningfields (a six-minute tram ride), the biggest commercial district in the city, Manchester Arndale shopping centre (a five-minute tram ride) and the Old Trafford football stadium (a 14-minute tram ride). In addition, The Castings is a 20-minute walk from The University of Manchester, which is a leading Russell Group university.

The property was recognised at *The Brit List Awards 2024*, where Ten, the interior designer of its amenity spaces, won the **Public Area of the Year** award for The Castings. The project was praised for its thoughtfully designed multi-purpose spaces, featuring exceptional use of materials and colours. This award highlights The Castings' outstanding amenities, which seamlessly blend high-quality design with functionality, setting it apart from the competition.

Notable Accolades

- The Brit List Awards 2024 | Public Area of the Year

Benson Yard (PBSA)
18 Benson Street, Liverpool L1 2ST

Property Details

Number of beds:	404
Amenity Spaces:	Market-leading amenity provision of 1,092 sq m, including multiple gaming, lounging, private and social study areas, gym, multi-purpose room that serves as both a yoga/dance studio and cinema, sheltered and spacious outdoor courtyard area, sky lounge with city view and private dining area
Gross internal area:	Approximately 11,553 sq m
Title:	Freehold
Valuation[50] as at 31 December 2024:	£39.4 million

Property Management Agreement Details

Operator:	Fresh Property Group Limited
Term of property management agreement:	5 years from 15 February 2023, expiring 14 February 2028

Description

Benson Yard is a 404-bed PBSA comprising a mix of ensuites and studio units. Opened in February 2023, the property houses top-notch amenities and offers market leading amenity provision.

[50] The valuation of this investment property was carried out by Knight Frank LLP using the Capitalisation method for Benson Yard and Residual Land Value method for the vacant land.

The property enjoys a prime central location in Liverpool city centre and is within a 11- and seven-minute walk to the two main universities in Liverpool – University of Liverpool and Liverpool John Moores University, respectively. It is also near the city's main rail terminals, Liverpool Lime Street and Liverpool Central. Additionally, Benson Yard is just a four-minute walk from Bold Street, known for its eclectic mix of independent shops, restaurants, cafes and boutiques, and a 10-minute walk from Liverpool ONE, the city's premier retail destination. For football enthusiasts, Anfield Stadium, home of the Liverpool Football Club, is a 30-minute bus ride away.

With its excellent connectivity, proximity to key amenities and generous shared spaces, Benson Yard offers students the perfect blend of convenience, comfort, and community. Just minutes from Liverpool's top universities, major transport links, and the city's best shopping, dining and entertainment options, it provides a vibrant and well-connected living experience in the heart of the city.

GERMANY

Pullman Hotel Munich
Theodor-Dombart-Strasse 4, 80805 Munich, Germany

Property Details

Number of guest rooms:	337
Number of food & beverage outlets:	Five outlets comprising Theo's Restaurant, Theo's Bar, Theo's Beer Garden Terrace, Theo's Castaway Beach and Marketplace
Banquet/Conference/Meeting facilities:	Two conference rooms for up to 60 people theatre style
Other facilities:	400 sq m of fitness and spa area including two saunas and a steam room
	Commercial components of the property have four retail and eight office tenants (committed occupancy rate as at 31 December 2024: 100.0%)
Car park facilities:	196 car park lots specifically for the hotel (Car park facilities are shared with the commercial components of the property)
Land area:	Approximately 8,189 sq m
Title:	Freehold
Valuation[51] as at 31 December 2024:	€104.5 million

[51] The property was valued by Colliers International Property Consultants Limited using the Capitalisation and Discounted Cash Flow approaches.

Master Lease Details

Master lessee:	UP Hotel Operations GmbH & Co. KG (a wholly-owned subsidiary of EVENT Hotels)
Term of lease:	20 years from 14 July 2017, expiring 13 July 2037
Rent:	Annual base rent + variable rent of 85% x (net operating profit – annual base rent)
Minimum rental income:	€3.6 million[52]

Description

Pullman Hotel Munich is an upscale hotel with 337 rooms and a comprehensive suite of facilities, as well as secondary spaces currently let out to retail and office tenants.

The hotel is strategically located adjacent to the commercial district of "Parkstadt Schwabing", which is home to a variety of national and international companies. It boasts convenient accessibility, with an underground subway access located next to the hotel, motorways connecting Munich to Berlin and Frankfurt within a two-minute drive, and the Munich railway station and Munich International Airport being easily accessible via car. Travellers also have direct access to Munich International Airport via the Lufthansa Express Bus service, which stops opposite the hotel and runs at regular intervals, offering significant cost savings and ease of travel to the airport. The hotel is also in proximity to many of Munich's popular tourist destinations including the English Garden, the BMW headquarters, the Olympic Park and the Allianz Arena, home of FC Bayern Munich.

Notable Accolades

- BREEAM "Good" Rating (2024 – 2027)
- Green Key Certification (2024 – 2026)

ITALY

Hotel Cerretani Firenze – MGallery
Via De' Cerretani 68, 50123 Florence, Italy

Property Details

Number of guest rooms:	86
Number of food & beverage outlets:	Two outlets comprising "Il Patio" Restaurant and "Il Michelangelo" Bar
Land area:	Approximately 1,350 sq m
Title:	Freehold
Valuation[53] as at 31 December 2024:	€47.8 million

[52] Pursuant to a temporary rent abatement agreement signed in April 2021, the annual base rent was reduced from 2021 to 2024, starting at €0.6 million in 2021 and stepped up to €2.4 million in 2024, before reverting to the original base rent of €3.6 million per annum in 2025. Under FRS 116/SFRS(I) 16 Leases, the base rental income will be accounted for on a straight-line basis over the remaining lease tenure at €3.1 million per annum.

[53] The property was valued by C&W (U.K.) LLP (Italian Branch) using the Discounted Cash Flow approach.

Master Lease Details

Master lessee:	FC Operations Hotel SRL, affiliated to EVENT Hotels
Term of lease:	20 years from 27 November 2018, expiring 26 November 2038
Rent:	Around 93% of the net operating profit of the hotel subject to an annual base rent detailed below
Minimum rental income:	€1.3 million[54]

Description

Hotel Cerretani Firenze – MGallery is a 4-star hotel with 86 rooms. The hotel is located in an exceptional location in the heart of Florence's historic city, within walking distance to famous tourist attractions including the Cathedral of Santa Maria del Fiore (Il Duomo), Basilica of Santa Croce, Piazza della Signoria and Ponte Vecchio. Museums in the vicinity such as the Uffizi Gallery and the Accademia Gallery house some of the most important works of the Renaissance, such as those by Leonardo da Vinci, Botticelli and Michelangelo.

The main train station "Santa Maria Novella", is only an eight-minute walk from the hotel while Florence International Airport is also easily accessible via a relatively short 15 to 25-minute drive or 20 minutes by tram.

Notable Accolades

- BREEAM "Good" Rating (2024 – 2027)
- Green Key Certification (2024 – 2026)
- Expedia Most Loved by Guests Award 2024
- TripAdvisor Travellers' Choice Awards 2022

7. SUSTAINABILITY

CDLHT continues to advance its sustainability agenda, reinforcing its commitment to responsible investing, governance excellence, and stakeholder engagement. In a significant step forward, it established the Board Sustainability Committee on 5 April 2024 to provide dedicated oversight and strategic direction for its environmental, social and governance ("**ESG**") initiatives, ensuring sustainability remains embedded in its long-term business strategy.

Sustainability Approach

In alignment with its sustainability vision and mission, CDLHT's Sustainability Framework is built upon five fundamental pillars. These pillars encapsulate the priorities of CDLHT's stakeholders, influence its sustainability policies and initiatives, and enable it to generate significant impact across its material ESG factors.

[54] Pursuant to a temporary rent abatement agreement signed in December 2020, the annual base rent was reduced from 2020 to 2024, starting at €0.2 million in 2020, stepping up annually to a base rent level of €0.9 million in 2024, before reverting to the original base rent level of €1.3 million per annum in 2025. Under FRS 116/SFRS(I) 16 Leases, the base rental income will be accounted for on a straight-line basis over the remaining lease tenure at €1.1 million per annum.

Delivering Value and Best Practices

As part of a broader commitment to be a responsible investment and long-term value creation, CDLHT continually embeds ESG best practices across the portfolio. Through active asset management, CDLHT promotes energy and water efficiency, renewable energy adoption, and waste minimisation. An internal sustainability practice inventory consolidates these successful initiatives, enabling cross-learning and consistent implementation across properties.

CDLHT's environmental stewardship efforts span across building operations and include energy conservation, renewable energy sourcing, water conservation and waste reduction. These initiatives are being implemented across all properties to meet and exceed ESG benchmarks for the portfolio and align with industry best practices.

Action Across Properties

CDLHT's portfolio of hotels are committed to sustainability through a range of ESG initiatives aimed at optimising operations and reducing carbon footprint. Measures such as adjusting equipment operating hours, replacing single-use bathroom amenities with recyclable pump dispensers, and introducing guest opt-out housekeeping programs have contributed to tangible reductions in energy and waste. Some properties have improved equipment efficiency through upgrades, such as the completion of Studio M Hotel's Variable Refrigerant Volume system upgrade, which achieved an improvement of 24% in total system efficiency, while pilot installations of Air Handling Unit optimisers improved equipment efficiency by approximately 40% in some properties.

In the Maldives, the implementation of Phase Two solar expansion increased total renewable energy generation to 731 Megawatt-hour in 2024, further reducing reliance on diesel fuels. Similarly, the solar panel installation at W Singapore – Sentosa Cove is expected to generate 500 Megawatt-hour annually, further advancing the transition to renewable energy within the portfolio.

Beyond environmental performance, CDLHT's hotels are also committed to advancing social sustainability. Staff training on workplace health and safety, continuous skills upgrading through e-learning, and active community engagement through volunteerism and charitable partnerships remain key priorities across the portfolio.

Green Awards and Certifications

CDLHT continues to demonstrate its commitment in sustainable hospitality through its proactive pursuit of internationally recognised environmental and green building certifications across its global portfolio. These accreditations reflect CDLHT's dedication to operational excellence, resource efficiency, and climate-conscious practices, in alignment with the broader sustainability goals of the CDL Group and major global frameworks such as the UN Sustainable Development Goals and advancing alignments with International Sustainability Standards Board's Sustainability Disclosure Standards.

In Singapore, the M&C branded hotels have achieved high-tier certifications under the BCA Green Mark Scheme, including Platinum and Gold Plus Awards, as well as GSTC certification – the first of its kind in Singapore, underscoring adherence to rigorous environmental performance and management standards. Most recently in 2025, W Singapore – Sentosa Cove attained the EarthCheck Silver Certification, an internationally benchmarked standard recognising exemplary environmental and social sustainability performance.

Across CDLHT's international portfolio, several properties continue to uphold their sustainability credentials through globally recognised programs:

- Grand Millennium Auckland: Awarded the Qualmark Gold Sustainable Tourism Award, acknowledging exceptional sustainable tourism practices in New Zealand.

- Mercure Perth: Recognised with the Ecotourism Australia – Sustainable Tourism Certification, for integration of responsible tourism principles and community engagement.

- The Halcyon Private Isles Maldives, Autograph Collection[55]: Achieved Green Globe Certification, one of the world's most comprehensive sustainability standards for tourism businesses, covering environmental, social, and cultural criteria.

- Hotel Cerretani Firenze – MGallery and Pullman Hotel Munich: Both attained the Green Key Certification, a leading international eco-label for hotels committed to sustainable operations and continuous environmental improvement.

- In the UK and Europe, several assets are certified under the BREEAM (Building Research Establishment Environmental Assessment Method) framework, further reinforcing the emphasis on sustainable building performance and lifecycle management.

Complementing these property-level achievements, CDLHT was named the Country Winner for the Schneider Electric Sustainability Impact Awards 2024, acknowledging its innovative efforts in decarbonisation and energy efficiency. These accomplishments collectively demonstrate CDLHT's ongoing commitment to reduce its environmental footprint, enhance operational resilience, and future-proof its assets through the integration of green design and responsible management principles.

[55] Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.

Excellence in Corporate Governance

In parallel with its environmental stewardship, CDLHT continues to uphold the highest standards of governance and transparency. CDLHT was a joint winner of the Shareholder Communications Excellence Award (REITs & Business Trusts Category) at the Securities Investors Association (Singapore) Investors' Choice Awards 2024, underscoring its commitment to clear, consistent, and proactive engagement with investors. In 2025, CDLHT ranked 10th out of 42 entities in the Singapore Governance and Transparency Index – REIT and Business Trust Category, demonstrating its strong governance framework and accountability to unitholders.

Together, these achievements affirm CDLHT's holistic approach to sustainability – integrating environmental responsibility, social value creation, and governance excellence as core drivers of long-term value for stakeholders.

A list of awards and certifications given to CDLHT as part of its sustainability efforts is set out below:

List of Green Awards and Certifications

Name of Award	Our Portfolio
BCA Green Mark Award	**Platinum** • Copthorne King's Hotel **Gold Plus** • Orchard Hotel • Grand Copthorne Waterfront Hotel • M Hotel
BREEAM	**"Very Good" Rating** (New construction) • voco Manchester - City Centre **"Good" Rating** (In use) • Hotel Cerretani Firenze – MGallery • Pullman Hotel Munich
EarthCheck Silver Certificate	• W Singapore – Sentosa Cove
Ecotourism Australia - Sustainable Tourism	• Mercure Perth
EPC Rating	**"B" Rating** • The Lowry Hotel • Hilton Cambridge City Centre • voco Manchester - City Centre • Hotel Indigo Exeter • Benson Yard
Global Sustainable Tourism Council	• Orchard Hotel • Grand Copthorne Waterfront Hotel • M Hotel • Copthorne King's Hotel • Studio M Hotel
Green Globe	• The Halcyon Private Isles Maldives, Autograph Collection(1)
Green Key	• Hotel Cerretani Firenze – MGallery • Pullman Hotel Munich

NABERS - National Australian Built Environment Rating System	• Ibis Perth
	  • Energy – 4 stars
	  • Water – 3.5 stars

Qualmark Gold Sustainability Award	• Grand Millennium Auckland

(1) Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.

Other ESG Awards

Name of Rating/Award	Achievement
Singapore Governance and Transparency Index (SGTI)	10th place in SGTI ranking in the REIT and Business Trust category
SIAS Investors' Choice Awards 2024	Joint winner of the prestigious Shareholder Communications Excellence Award (REITs and Business Trusts Category)
Schneider Electric Sustainability Impact Award 2024	Country Winner 2024

Sustainability-linked Financing

Through sustainable financing, the setting and achievement of intermediate sustainability goals and targets have enabled CDLHT to access sustainability-linked credit facilities, with associated interest savings for the business. Building on this progress, CDLHT will continue to expand its sustainability-linked financing, reinforcing its steadfast commitment to environmental stewardship and responsible business practices. As at the Latest Practicable Date, the total sustainability-linked facilities stood at S$937.7 million. More information on CDLHT's sustainability-linked credit facilities can be found in the table below.

Sustainability-Linked Loans/Facilities As at 30 October 2025	Year of Maturity	Currency	Facility Amount
Sustainability-Linked Term Loans	2027 – 2030	SGD	314.7 million
Sustainability-Linked Term Loans	2028 – 2029	GBP	110.2 million
Sustainability-Linked Term Loan	2029	EUR	35.6 million
Sustainability-Linked Term Loan	2030	JPY	3.3 billion
Sustainability-Linked Committed Multicurrency Revolving Credit Facilities	2026 – 2028	SGD	350.0 million

8. MANAGEMENT

CDLHT is managed by the Managers. The Managers are subsidiaries of the Sponsor, one of the largest hotel owners and operators in the world. The Managers are responsible for the management and administration of CDLHT and the implementation of its strategy.

Board of Directors

The Directors of the Managers have a depth and breadth of experience in fund, asset, hospitality and real estate management.

CHAN SOON HEE, ERIC
Chairman
Independent Non-Executive Director

Mr Chan Soon Hee, Eric was appointed both Chairman and Director on 22 June 2018. He is the Chairman of the Nominating and Remuneration Committees.

Mr Chan is also founder and the Chief Executive Officer of Thoughts Advisory Pte. Ltd. which provides consultancy services to entrepreneurs to further develop their strategic and business plans. He has more than 35 years of experience working in a public accounting firm environment, serving as audit partner with KPMG LLP ("**KPMG**") from 1989 to 2001, and subsequently as partner in charge of Transaction Services at KPMG until his retirement in September 2011.

Mr Chan is a Fellow Chartered Accountant of Singapore, a Fellow of the Association of Chartered Certified Accountants, a Fellow of Certified Public Accountants Australia and a Chartered Valuer & Appraiser. Mr Chan is also a Fellow of Singapore Institute of Directors.

VINCENT YEO WEE ENG
Executive Director

Mr Vincent Yeo Wee Eng was appointed as Director on 17 May 2006. He is a Member of the Board Sustainability Committees.

Mr Yeo is responsible for working within the Managers' Boards to determine the overall business, investment and operational strategies for H-REIT and HBT. He also works with other members of the H-REIT Manager's management team and the master lessees and managers of H-REIT's properties to ensure that the business, investment and operational strategies of H-REIT are carried out as planned. In addition, Mr Yeo is responsible for the overall management and planning of the strategic direction of H-REIT and HBT. This includes overseeing the acquisition of hospitality, hospitality-related and other accommodation and/or lodging assets and property management strategies for H-REIT, as well as the activities of HBT, which acts as master lessee of any of H-REIT's hotel properties or when it undertakes certain hospitality, hospitality-related and other accommodation and/or lodging development projects. Mr Yeo also handles the asset management function relating to some of the hotels currently.

Mr Yeo has more than 30 years of experience in the hospitality and real estate industry. Prior to his appointment as the Chief Executive Officer of the Managers, he was the President of Millennium & Copthorne International Limited, Asia Pacific from 2003 to July 2006, and was responsible for overseeing the hotel operations in Asia Pacific and the corporate office in Singapore. Prior to that, he held the position of Chief Operating Officer from 2001 to 2003. Mr Yeo served as Chief Executive Officer of City e-Solutions Limited until November 2008 and as an Executive Director until April 2009.

Between 1998 and 2000, he was an Executive Director of the Sponsor based in London overseeing global sales and marketing. Between 1993 and 1998, he was the Executive Director and then the Managing Director of Millennium & Copthorne Hotels New Zealand Limited where he developed and integrated the largest chain of hotels in New Zealand.

Mr Yeo graduated Summa Cum Laude and the top of his faculty in 1988 from Boston University with a Bachelor of Science in Business Administration (Major in Finance).

KENNY KIM
Independent Non-Executive Director

Mr Kenny Kim was appointed as Director on 25 January 2017. He is a Member of the Audit and Risk Committees and the Board Sustainability Committees.

Mr Kim is a founding partner and currently, the Chief Executive Officer of Ikhlas Capital Singapore Pte. Ltd., an ASEAN private equity fund manager headquartered in Singapore and has on-ground presence in Kuala Lumpur, Jakarta and Manila. He was the Senior Adviser and a member of the Executive Committee of RRJ Capital, one of the largest private equity funds in Asia which focuses on private equity investments in China and Southeast Asia from October 2015 until September 2017. At RRJ Capital, he was responsible for originating and executing deals as well as providing advice to fund financial transactions.

Mr Kim has worked in various senior positions in the financial services sector for more than 20 years, having served as the Chief Executive Officer, Strategy and Investments and Group Chief Financial Officer at CIMB Group Holdings Berhad, a financial institution listed on the main market of Bursa Malaysia, and the fifth largest banking group in Southeast Asia. During his tenure with the CIMB Group Sdn Bhd, Mr Kim was awarded Best Chief Financial Officer in Southeast Asia and Best Chief Financial Officer in Malaysia in 2013, both awards given by Alpha Southeast Asia, an institutional investment publication focused on Southeast Asia.

Mr Kim graduated from the University of Lancaster, UK, with a Master of Science in Finance degree. He is also a fellow of the Association of Chartered Certified Accountants, UK, a member of the Institute of Chartered Accountants England & Wales, CF Faculty and a member of the Malaysian Institute of Accountants.

CHEAH SUI LING
Independent Non-Executive Director

Ms Cheah Sui Ling was appointed as Director on 18 August 2017. She is the Chairman of the Board Sustainability Committees and a Member of the Audit and Risk Committees and the Nominating and Remuneration Committees.

Ms Cheah is currently a Venture Partner at Wavemaker Partners, a venture capital firm based in Singapore. She is active in angel investing in startups and also holds positions as Investment Committee Member in Marubeni Growth Capital Fund and Select Investments Pte. Ltd.

Ms Cheah has over 20 years of international investment banking and corporate experience, having been a financial and strategic adviser to global and regional companies across multiple industries. Most of her career was spent across Singapore, Paris, Hong Kong, London and New York focusing on capital raising transactions and cross border mergers and acquisitions for corporate clients. Between 2010 to 2013 she was Co-Head of Corporate Finance for Southeast Asia at BNP Paribas. Prior to that, she was a senior coverage banker for Singapore in the investment banking division of JP Morgan. She started out her career at Merrill Lynch Investment Banking.

Ms Cheah graduated Magna Cum Laude with a Bachelor of Arts in Economics and French from Wellesley College, Massachusetts in the US.

KWEK EIK SHENG
Non-Independent Non-Executive Director

Mr Kwek Eik Sheng was appointed as Director on 20 October 2022.

Mr Kwek is the Executive Director of the Sponsor since November 2019, having previously been appointed a Non-Executive Director of the Sponsor from April 2008 to October 2019. As Executive Director, he has oversight over strategic corporate and capital planning as well as investment management, including mergers & acquisitions and asset disposals.

Mr Kwek is also currently the Group Chief Operating Officer of CDL. Mr Kwek joined CDL in 2009, covering Business Development for overseas projects before being appointed as Head of Corporate Development. In 2014, he assumed his role as Chief Strategy Officer and undertook an added portfolio as Head of Asset Management in April 2016.

Prior to joining CDL, he was with the Hong Leong Group of companies in Singapore, specialising in corporate finance roles from 2006 to 2008.

Mr Kwek holds a Bachelor of Engineering in Electrical and Electronics Engineering from Imperial College of Science, Technology and Medicine of University of London, UK and a Master of Philosophy in Finance from Judge Business School of University of Cambridge, UK.

ENG CHIN CHIN
Independent Non-Executive Director

Ms Eng Chin Chin was appointed as Director on 21 February 2025. She is the Chairman of the Audit and Risk Committees and a Member of the Nominating and Remuneration Committees.

Ms Eng joined KPMG in 1986 and was an audit partner from October 1999 until her retirement in September 2022. She specialised in the asset management, financial services and real estate sectors. Ms Eng is also experienced in advisory work, particularly in relation to governance and internal control reviews and investigation work across government bodies, and private and public companies. From October 2022 to March 2023, Ms Eng was employed as a principal consultant by KPMG Services Pte Ltd.

Ms Eng holds a Bachelor of Accountancy from National University of Singapore. She is a Fellow Chartered Accountant of the Institute of Singapore Chartered Accountants ("**ISCA**"). She is also the chair of the Ethics Committee of ISCA, which is responsible for issuance of the ISCA Code of Professional Conduct and Ethics.

Management Team

The Board of Directors is supported by a management team who has expertise in finance, asset management, mergers and acquisitions and hospitality.

VINCENT YEO WEE ENG
Chief Executive Officer

Mr Vincent Yeo Wee Eng was appointed as Chief Executive Officer on 19 July 2006 and his profile can be found under the sub-section titled "MANAGEMENT – Board of Directors" above.

ANNIE GAN
Chief Financial Officer

Ms Annie Gan heads the finance team and is responsible for CDLHT's financial and capital management functions. She oversees all matters involving finance and accounting, treasury, corporate finance (including fund raising activities), taxation, compliance and fund management, ensuring the alignment with CDLHT's long-term strategy and risk management while focusing on optimising revenue and investment returns. Ms Gan is also involved in driving some aspects of CDLHT's ESG initiative.

Ms Gan brings more than 35 years of experience in the areas of financial management, strategy, treasury, mergers and acquisitions, taxation and corporate advisory as well as in-depth knowledge of the hospitality, property development and property investment industries.

Prior to CDLHT, Ms Gan was the Group Financial Controller of the then public-listed company, Orchard Parade Holdings Limited ("**OPHL**" and now known as Far East Orchard Limited), a member of Far East Organisation. She also served as a director of all the subsidiaries of OPHL, primarily responsible for the stewardship of the subsidiaries' affairs and advising on new investment opportunities.

Ms Gan was also previously with PricewaterhouseCoopers, Singapore and Ernst and Young, Singapore in various leadership roles, leading due diligence and acquisition audits, profit forecast reviews and the statutory audits of several public-listed companies and large multinational corporations. Ms Gan is a Chartered Accountant with the ISCA and a Fellow of Certified Public Accountants Australia and holds a Bachelor of Commerce from The Australian National University.

MANDY KOO
Chief Investment Officer

Ms Mandy Koo leads the investment team in sourcing, evaluating, structuring, negotiating and executing strategic acquisitions to enhance CDLHT's portfolio. She is also responsible for operator selection processes and divestments. Ms Koo heads the asset management for the living asset class and oversaw the mobilisation of CDLHT's new residential BTR project in the UK. She also leads equity capital raising initiatives aligned with CDLHT's growth objectives.

In her investor relations role, Ms Koo develops communication strategies for public disclosures, fosters relationships with key media, investor, and research communities, and represents CDLHT at investor meetings, media engagements and analyst briefings to convey the Trusts' investment and business narratives.

With more than 20 years of experience spanning real estate investments and investor relations in the REIT industry, equity corporate finance and listing regulations, Ms Koo brings deep industry expertise. She previously worked with the Standard Chartered Bank Corporate Advisory & Finance team, executing mergers and acquisitions and equity corporate finance deals in Southeast Asia. Earlier, she held investment and asset management roles at YTL Pacific Star REIT Management Limited, and investment and investor relations roles at the H-REIT Manager. Ms Koo began her career in Singapore Exchange Limited, Issuer Regulation, where she reviewed applications for initial public offerings, fundraising exercises and corporate actions of listed companies.

Ms Koo holds the Chartered Financial Analyst designation and graduated *Summa Cum Laude* from Singapore Management University with a Bachelor of Business Management (Major in Finance) and a Bachelor of Accountancy.

PAAVAN PATEL
Head, Asset Management

Mr Paavan Patel is responsible for CDLHT's asset management function, leading the strategic oversight of the CDLHT's portfolio of hotels and serviced residences across Asia Pacific, the UK, and Europe. His focus is on driving asset performance, identifying opportunities for value enhancement, and aligning operator strategies with ownership objectives to deliver long-term value. He also leads and manages CDLHT's ESG programme.

Mr Patel has over 15 years of experience in luxury hospitality and real estate investment. Before joining CDLHT, he was Vice President at JLL Hotels & Hospitality Group, where he led advisory and asset management initiatives for a diverse portfolio with an aggregate asset value exceeding S$1 billion. His work involved performance optimisation, cost efficiencies, rebranding strategies, and operator engagement across multiple jurisdictions.

He has also been involved with the asset management of portfolios under Oakwood Worldwide and Frasers Hospitality Trust, gaining exposure to a broad mix of operating models, geographies, and owner-operator dynamics.

Earlier in his career, Mr Patel held roles in hotel revenue management and operations with international hotel groups, equipping him with a comprehensive understanding of both the commercial and operational levers that drive hotel performance.

He holds a Bachelor's degree in International Hotel Management from the International College of Hotel Management (ICHM).

9. RECENT DEVELOPMENTS

On 30 October 2025, CDLHT's business updates for the third quarter and nine months ended 30 September 2025 (the "**3Q2025 Business Updates**") was announced on the SGX-ST, which can be found in Appendix V.

Review of Performance for Third Quarter Ended 30 September 2025

CDLHT achieved a gross revenue of S$69.2 million, 2.5% higher year-on-year ("**yoy**"), supported by stronger contributions from the Australia and UK portfolios. The UK portfolio continues to benefit from inorganic contributions from The Castings, Benson Yard and Hotel Indigo Exeter, which helped offset softer trading conditions in other regions.

While gross revenue improved, NPI fell by 5.6% yoy, reflecting a moderation in RevPAR across the hotel portfolio and higher operating costs. A significant portion of the NPI variance was also a consequence of the ongoing renovation works at W Singapore – Sentosa Cove and Grand Millennium Auckland. The asset enhancement works for both hotels are progressing well as planned and are expected to further strengthen the properties' market positioning upon completion. Excluding these two assets which are undergoing asset enhancement works, the gross revenue would have increased by 6.8% yoy and the NPI decline would have narrowed significantly to 0.2% million yoy.

Review of Performance for Nine Months Period Ended 30 September 2025

CDLHT's gross revenue remained stable yoy at S$194.2 million, supported by continued growth from the UK, Japan and Australia portfolios, as well as inorganic contributions from The Castings, Benson Yard and Hotel Indigo Exeter. Claymore Connect, CDLHT's retail mall in Singapore, also contributed positively, with revenue up 3.1% yoy due to annual rent escalations. These gains helped to cushion the softer trading contributions from the other assets, underscoring the diversified earnings base.

NPI was S$92.9 million for YTD September 2025, 9.7% or S$10.0 million lower yoy, largely due to the temporary impact of ongoing renovations works at the W Singapore – Sentosa Cove and Grand Millennium Auckland, which together accounted for approximately S$6.4 million or 64.0% of the overall decline. Excluding both hotels which are undergoing asset enhancement works, the gross revenue would have increased 5.2% yoy, while the NPI decline would have moderated to 4.0% yoy, with portfolio results reflecting both the inclusion of newly acquired assets and varied market dynamics.

Key Financial Statistics

	As at 30 Sep 2025	As at 31 Dec 2024
Debt Value (S$ million)	1,405	1,342
Gearing[56]	42.4%	40.7%
Debt Headroom (S$ million) to 50% Gearing	500	610
Interest Coverage Ratio[57]	2.1x	2.3x
Weighted Average Cost of Debt	3.4%	4.0%

As at 30 September 2025, CDLHT has a gearing of 42.4% and cash reserves of S$77.0 million. There are also S$108.1 million revolving credit facilities available for drawdown and S$290.0 million uncommitted bridge loan facilities reserved for acquisitions. As of the Latest Practicable Date, the uncommitted bridge loan facilities has increased to S$326.7 million.

Refinancing of the remaining loans maturing in 4Q 2025 has commenced and is on track for completion by year-end. Capitalising on the decline in SGD borrowing rates in 2025, CDLHT has to-date entered into ten interest rate swaps totalling S$358.0[58] million to progressively hedge its SGD floating-rate debt. CDLHT will continue to leverage on the lower SGD interest rate environment to hedge interest rates aimed at further reducing average borrowing costs.

[56] For the purposes of gearing computation, the total assets exclude the SFRS(I) 16/FRS 116 Leases (adopted with effect from 1 January 2019).

[57] For H-REIT group. Computed by using trailing 12 months earnings before interest, tax, depreciation and amortisation "EBITDA") (excluding effects of any fair value changes of derivatives and investment properties and foreign exchange translation), divided by the trailing 12 months interest expense and borrowing related fees.

[58] Includes a forward start SGD IRS effective in December 2025.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following tables set forth the audited consolidated financial information of H-REIT Group, HBT Group and CDLHT as at and for the years ended 31 December 2022 ("**FY2022**"), 31 December 2023 ("**FY2023**") and 31 December 2024 ("**FY2024**") as well as the unaudited condensed interim financial information of H-REIT Group, HBT Group and CDLHT as at and for the half-years ended 30 June 2024 ("**1H2024**") and 30 June 2025 ("**1H2025**").

The audited consolidated financial information as at and for FY2022, FY2023 and FY2024 has been derived from H-REIT Group's, HBT Group's and CDLHT's audited consolidated financial statements for FY2023 and FY2024 (the "**Audited Consolidated Financial Statements**") respectively, which are contained in this Information Memorandum and should be read together with such financial statements and the accompanying notes thereto. The Audited Consolidated Financial Statements have been audited by KPMG LLP, the auditors of CDLHT.

The unaudited condensed interim financial information as at and for 1H2024 and 1H2025 has been derived from H-REIT Group's, HBT Group's and CDLHT's unaudited condensed interim financial statements (the "**Unaudited Condensed Interim Financial Statements**"), which are contained in this Information Memorandum and should be read together with such financial statements and the accompanying notes thereto. The Unaudited Condensed Interim Financial Statements have not been audited, reviewed or subjected to any other procedures by the auditors of CDLHT. There can be no assurance that if such financial statements had been audited or reviewed that there would be no change in the financial statements and that such changes would not be material or that such financial information has been prepared and presented on a basis consistent with the accounting policies normally adopted by CDLHT and applied in preparing the Audited Consolidated Financial Statements. Consequently, such statements may not provide the same quality of information associated with financial information that has been subject to an audit or a full review.

The past performance of CDLHT is not indicative of future performance. H-REIT Group's, HBT Group's or, as the case may be, CDLHT's historical results for any prior years are not necessarily indicative of results to be expected for any future year.

STATEMENT OF PROFIT OR LOSS OF THE HBT GROUP
STATEMENTS OF TOTAL RETURN OF THE H-REIT GROUP AND CDLHT

	HBT GROUP			H-REIT GROUP			CDLHT		
	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000
Revenue	144,607	141,985	129,170	143,049	144,712	129,584	260,259	257,556	229,356
Property expenses									
Operations and maintenance expenses	(32,267)	(30,280)	(28,760)	–	–	–	(32,267)	(30,280)	(28,760)
Employee benefit expenses	(46,826)	(45,214)	(40,432)	–	–	–	(46,826)	(45,214)	(40,432)
Rental expenses	(15,634)	(17,310)	(17,152)	–	–	–	(53)	(59)	(104)
Property tax	(1,910)	(1,374)	(1,650)	(8,375)	(6,931)	(4,429)	(10,285)	(8,305)	(6,079)
Other property expenses	(29,206)	(28,446)	(23,439)	(13,893)	(9,118)	(6,823)	(35,605)	(35,394)	(30,262)
	(125,843)	(122,624)	(111,433)	(22,268)	(16,049)	(11,252)	(125,036)	(119,252)	(105,637)
Net property income	18,764	19,361	17,737	120,781	128,663	118,332	135,223	138,304	123,719
H-REIT Manager's management fee	–	–	–	(12,726)	(12,639)	(11,702)	(12,726)	(12,639)	(11,702)
H-REIT Trustee's fee	–	–	–	(448)	(409)	(375)	(448)	(409)	(375)
HBT Trustee-Manager's management fee	(1,343)	(1,188)	(1,015)	–	–	–	(1,343)	(1,188)	(1,015)
HBT Trustee-Manager's trustee fee	(381)	(305)	(272)	–	–	–	(381)	(305)	(272)
HBT Trustee-Manager's acquisition fee	(334)	–	–	–	–	–	(334)	–	–
Valuation fee	(46)	(53)	(42)	(188)	(208)	(149)	(234)	(261)	(191)
Depreciation	(16,428)	(16,471)	(16,771)	(1,804)	(1,877)	(1,487)	(22,576)	(21,931)	(20,984)
Other expenses	(5,175)	(2,024)	(889)	(2,778)	(3,302)	(4,199)	(7,947)	(5,269)	(5,086)
Finance income	98	86	8,133	7,937	7,188	43,177	578	849	40,644
Finance costs	(20,604)	(16,531)	(8,856)	(58,923)	(58,023)	(38,912)	(68,823)	(63,310)	(45,080)
Net finance costs	(20,506)	(16,445)	(723)	(50,986)	(50,835)	4,265	(68,245)	(62,461)	(4,436)

	HBT GROUP			H-REIT GROUP			CDLHT		
	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000
Net (loss)/income before fair value adjustment	(25,449)	(17,125)	(1,975)	51,851	59,393	104,685	20,989	33,841	79,658
Gain from a bargain purchase	3,035	–	–	–	–	–	3,035	–	–
Reversal of revaluation deficit/(Revaluation deficit) on property, plant and equipment	1,819	3,158	(3,667)	–	–	409	(8,689)	943	13,250
Net fair value (loss)/gain on investment properties and investment property under development	(574)	6,735	6,374	(9,738)	80,787	142,788	5,771	106,972	130,262
(Loss)/Profit/Total return for the year before tax	(21,169)	(7,232)	732	42,113	140,180	247,882	21,106	141,756	223,170
Tax expense	(1,480)	(4,779)	(3,958)	(5,080)	(10,949)	(4,022)	(6,163)	(17,791)	(7,778)
(Loss)/Total return for the year	(22,649)	(12,011)	(3,226)	37,033	129,231	243,860	14,943	123,965	215,392
(Loss)/Total return attributable to:									
Unitholders	(22,649)	(12,011)	(3,226)	36,455	128,478	243,743	14,365	123,212	215,275
Non-controlling interests	–	–	–	578	753	117	578	753	117
	(22,649)	(12,011)	(3,226)	37,033	129,231	243,860	14,943	123,965	215,392
Total distribution (after retention for working capital)							66,850	70,970	69,713
Total distribution per Stapled Security (after retention for working capital) (cents)							5.32	5.70	5.63

STATEMENTS OF FINANCIAL POSITION

	HBT GROUP			H-REIT GROUP			CDLHT		
	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000
Non-current assets									
Investment properties	163,430	–	–	2,828,851	2,750,215	2,631,976	2,478,796	2,232,899	2,104,672
Investment property under development	–	131,423	59,660	–	–	–	–	131,423	59,660
Property, plant and equipment	313,894	288,444	284,416	82,402	71,814	67,399	846,454	814,611	783,250
Finance lease receivables	–	–	–	3,435	4,345	1,327	3,435	4,345	1,327
Deferred tax assets	795	721	426	727	751	737	1,522	1,472	1,162
Financial derivative assets	–	–	–	8,065	8,300	26,336	8,065	8,300	26,336
Other receivables	529	529	529	222,745	145,801	87,078	677	677	677
	478,648	421,117	345,031	3,146,225	2,981,226	2,814,853	3,338,949	3,193,727	2,977,084
Current assets									
Inventories	2,501	2,451	2,391	–	–	–	2,501	2,451	2,391
Finance lease receivables	–	–	–	910	800	476	910	800	476
Trade and other receivables	24,049	23,705	22,410	43,290	45,997	41,163	31,298	27,446	26,228
Financial derivative assets	–	–	–	655	6,210	83	655	6,210	83
Cash and cash equivalents	21,713	14,798	25,549	56,575	57,202	71,379	78,288	72,000	96,928
	48,263	40,954	50,350	101,430	110,209	113,101	113,652	108,907	126,106
Total assets	526,911	462,071	395,381	3,247,655	3,091,435	2,927,954	3,452,601	3,302,634	3,103,190

	HBT GROUP			H-REIT GROUP			CDLHT		
	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000	FY2024 S$'000	FY2023 S$'000	FY2022 S$'000
Non-current liabilities									
Loans and borrowings	422,040	352,768	300,170	907,844	834,679	868,969	1,017,730	941,683	972,439
Financial derivative liabilities	–	–	–	548	1,476	–	548	1,476	–
Other payables	57	74	77	12,099	11,665	11,606	12,156	11,739	11,683
Deferred tax liabilities	26,058	23,886	17,155	21,203	16,429	7,959	49,548	43,151	25,878
	448,155	376,728	317,402	941,694	864,249	888,534	1,079,982	998,049	1,010,000
Current liabilities									
Loans and borrowings	9,333	8,896	8,010	461,300	348,173	239,390	461,348	348,313	239,484
Trade and other payables	75,128	67,221	59,831	41,267	45,088	35,144	62,685	60,260	49,848
Financial derivative liabilities	–	–	–	179	30	163	179	30	163
Provision for taxation	2,290	2,870	3,127	5,831	6,850	7,424	8,121	9,720	10,551
	86,751	78,987	70,968	508,577	400,141	282,121	532,333	418,323	300,046
Total liabilities	534,906	455,715	388,370	1,450,271	1,264,390	1,170,655	1,612,315	1,416,372	1,310,046
Net (liabilities)/assets	(7,995)	6,356	7,011	1,797,384	1,827,045	1,757,299	1,840,286	1,886,262	1,793,144
Represented by:									
Unitholders' funds	(7,995)	6,356	7,011	1,789,476	1,819,229	1,750,373	1,832,378	1,878,446	1,786,218
Non-controlling interests	–	–	–	7,908	7,816	6,926	7,908	7,816	6,926
	(7,995)	6,356	7,011	1,797,384	1,827,045	1,757,299	1,840,286	1,886,262	1,793,144
Units/Stapled Securities in issue ('000)	1,256,857	1,245,832	1,237,020	1,256,857	1,245,832	1,237,020	1,256,857	1,245,832	1,237,020
Net asset value per Unit/Stapled Security ($)	(0.0063)	0.0051	0.0056	1.42	1.45	1.41	1.45	1.50	1.44

FY2024 vs FY2023

CDLHT's gross revenue for FY2024 increased marginally by 1.0% (or S$2.7 million) yoy to S$260.3 million. This was due to higher gross revenue from the hotels in Perth, Japan and Germany as well as the UK portfolio. This increase was partially offset by lower revenue from the Singapore hotels, Grand Millennium Auckland, Hotel Cerretani Firenze and the properties in the Maldives. Consequently, NPI decreased by 2.2% (or S$3.1 million) yoy to S$135.2 million for FY2024.

Interest costs for FY2024 increased mainly due to higher funding costs on CDLHT's floating rate loans, refinancing of its fixed rate loans and amounts drawn to finance CDLHT's residential Built-to-Rent development project (The Castings) in Manchester, UK (capitalised prior to its completion in June 2024) and asset enhancement works.

As The Castings underwent gestation since its mid-July 2024 opening, its NPI contribution was insufficient to offset one-off pre-opening expenses and associated interest costs. This, coupled with lower overall NPI and higher interest costs across the rest of the portfolio resulted in a 5.8% yoy decline in total distribution to S$66.9 million for FY2024 (after retention for working capital). The decrease was also partly due to the absence of a one-off S$0.9 million liquidation proceeds from an Australian subsidiary in FY2023. Excluding this item, the reduction in total distribution would have been 4.6% (instead of 5.8%) yoy.

As at 31 December 2024, CDLHT's investment properties and property, plant and equipment value ("**Total Portfolio Value**") increased by 4.6% (or S$146.3 million) yoy to S$3.3 billion. On a same store basis, excluding the acquisition of the Hotel Indigo Exeter and Benson Yard ("**Acquired Assets**") in the fourth quarter of 2024, the Total Portfolio Value would have increased by 1.3% (or S$42.2 million) yoy.

FY2023 vs FY2022

CDLHT's gross revenue for the year increased by 12.3% (or S$28.2 million) yoy to S$257.6 million for FY2023. The improvement was partially offset by lower contributions from Grand Millennium Auckland, due to an extended gestation period following its exit from the government isolation programme in the second quarter of 2022, exacerbated by strong supply growth in the Auckland market.

Bolstered by higher revenue, NPI increased by 11.8% (or S$14.6 million) yoy to S$138.3 million for FY2023. There was higher NPI contribution in FY2023 from all portfolio markets, except for New Zealand and the Maldives.

Interest costs for FY2023 rose primarily due to higher funding costs on CDLHT's floating rate loans, refinancing of fixed rate loans and additional borrowings undertaken to finance asset enhancement works.

Overall, the total distribution (after retention for working capital) was S$71.0 million, 1.8% higher yoy.

As at 31 December 2023, CDLHT's Total Portfolio Value increased by 7.8% (or S$231.4 million) yoy to S$3.2 billion. On a same store basis, excluding The Castings, the Total Portfolio Value would have increased by 5.5% (or S$159.6 million) yoy, driven mainly by higher valuation of the Singapore portfolio.

STATEMENT OF PROFIT OR LOSS OF THE HBT GROUP
STATEMENTS OF TOTAL RETURN OF THE H-REIT GROUP AND CDLHT
SIX-MONTH PERIOD ENDED 30 JUNE 2025

	HBT GROUP		H-REIT GROUP		CDLHT	
	1H2025 S$'000	1H2024 S$'000	1H2025 S$'000	1H2024 S$'000	1H2025 S$'000	1H2024 S$'000
Revenue	72,080	70,762	63,451	70,236	125,074	127,348
Property expenses						
Operations and maintenance expenses	(16,874)	(15,537)	(59)	–	(16,933)	(15,537)
Employee benefit expenses	(25,023)	(22,996)	(214)	–	(25,237)	(22,996)
Rental expenses	(4,731)	(7,737)	–	–	(50)	(26)
Property tax	(986)	(678)	(4,137)	(4,012)	(5,123)	(4,690)
Other property expenses	(14,894)	(14,458)	(4,242)	(3,108)	(19,136)	(17,566)
	(62,508)	(61,406)	(8,652)	(7,120)	(66,479)	(60,815)
Net property income	9,572	9,356	54,799	63,116	58,595	66,533
H-REIT Manager's management fees	–	–	(6,196)	(6,423)	(6,196)	(6,423)
H-REIT Trustee's fees	–	–	(235)	(220)	(235)	(220)
HBT Trustee-Manager's management fees	(729)	(650)	–	–	(729)	(650)
HBT Trustee-Manager's trustee fees	(209)	(182)	–	–	(209)	(182)
Valuation fee	(35)	(39)	(81)	(100)	(116)	(139)
Depreciation	(8,208)	(8,149)	(994)	(907)	(12,637)	(11,032)
Other expenses	(1,706)	(1,883)	(1,738)	(1,698)	(3,445)	(3,582)
Finance income	173	41	4,002	5,858	1,323	2,571
Finance costs	(8,765)	(11,171)	(37,557)	(27,618)	(39,185)	(32,500)
Net finance costs	(8,592)	(11,130)	(33,555)	(21,760)	(37,862)	(29,929)

	HBT GROUP		H-REIT GROUP		CDLHT	
	1H2025 S$'000	1H2024 S$'000	1H2025 S$'000	1H2024 S$'000	1H2025 S$'000	1H2024 S$'000
(Loss)/Total return for the period before tax	(9,907)	(12,677)	12,000	32,008	(2,834)	14,376
Tax credit/(expense)	1,785	(553)	(2,337)	(2,345)	(1,880)	(2,898)
(Loss)/Total return for the period	(8,122)	(13,230)	9,663	29,663	(4,714)	11,478
(Loss)/Total return attributable to:						
Unitholders	(8,122)	(13,230)	9,495	29,439	(4,882)	11,254
Non-controlling interests	–	–	168	224	168	224
(Loss)/Total return for the period	(8,122)	(13,230)	9,663	29,663	(4,714)	11,478
Total distribution (after retention for working capital)					25,082	31,425
Total distribution per Stapled Security (after retention for working capital) (cents)					1.98	2.51

STATEMENTS OF FINANCIAL POSITION

	HBT GROUP		H-REIT GROUP		CDLHT	
	30 Jun 2025 S$'000	31 Dec 2024 S$'000	30 Jun 2025 S$'000	31 Dec 2024 S$'000	30 Jun 2025 S$'000	31 Dec 2024 S$'000
Non-current assets						
Investment properties	167,474	163,430	2,849,442	2,828,851	2,500,460	2,478,796
Property, plant and equipment	310,211	313,894	82,952	82,402	844,496	846,454
Deferred tax assets	865	795	763	727	1,208	1,522
Finance lease receivables	–	–	2,940	3,435	2,940	3,435
Financial derivative assets	–	–	4,994	8,065	4,994	8,065
Other receivables	367	529	230,918	222,745	516	677
	478,917	478,648	3,172,009	3,146,225	3,354,614	3,338,949
Current assets						
Inventories	2,157	2,501	–	–	2,157	2,501
Trade and other receivables	22,540	24,049	42,575	43,290	28,765	31,298
Finance lease receivables	–	–	968	910	968	910
Financial derivative assets	–	–	–	655	–	655
Cash and cash equivalents	20,874	21,713	59,797	56,575	80,671	78,288
	45,571	48,263	103,340	101,430	112,561	113,652
Total assets	524,488	526,911	3,275,349	3,247,655	3,467,175	3,452,601
Non-current liabilities						
Loans and borrowings	426,136	422,040	1,094,030	907,844	1,206,562	1,017,730
Financial derivative liabilities	–	–	3,264	548	3,264	548
Other payables	33	57	12,460	12,099	12,493	12,156
Deferred tax liabilities	25,008	26,058	21,406	21,203	49,567	49,548
	451,177	448,155	1,131,160	941,694	1,271,886	1,079,982

	HBT GROUP		H-REIT GROUP		CDLHT	
	30 Jun 2025 S$'000	31 Dec 2024 S$'000	30 Jun 2025 S$'000	31 Dec 2024 S$'000	30 Jun 2025 S$'000	31 Dec 2024 S$'000
Current liabilities						
Loans and borrowings	9,251	9,333	321,553	461,300	321,610	461,348
Trade and other payables	74,105	75,128	35,645	41,267	56,760	62,685
Financial derivative liabilities	–	–	5,234	179	5,234	179
Provision for taxation	704	2,290	5,950	5,831	6,654	8,121
	84,060	86,751	368,382	508,577	390,258	532,333
Total liabilities	535,237	534,906	1,499,542	1,450,271	1,662,144	1,612,315
Net (liabilities)/assets	(10,749)	(7,995)	1,775,807	1,797,384	1,805,031	1,840,286
Represented by:						
Unitholders' funds	(10,749)	(7,995)	1,767,499	1,789,476	1,796,723	1,832,378
Non-controlling interests	–	–	8,308	7,908	8,308	7,908
	(10,749)	(7,995)	1,775,807	1,797,384	1,805,031	1,840,286
Units/Stapled Securities in issue ('000)	1,266,270	1,256,857	1,266,270	1,256,857	1,266,270	1,256,857
Net asset value/Net tangible asset per Unit/Stapled Security ($)	(0.0085)	(0.0063)	1.39	1.42	1.41	1.45

1H2025 vs 1H2024

CDLHT's gross revenue for 1H2025 declined 1.8% yoy to S$125.1 million as most portfolio markets performed softer, with the exception of the UK, Japan and Australian markets which recorded revenue growth. The UK portfolio was supported by the inorganic contributions from The Castings, Benson Yard and Hotel Indigo Exeter. Overall, NPI declined by 11.9% (or S$7.9 million) yoy to S$58.6 million, with W Singapore – Sentosa Cove accounting for S$3.2 million of the net NPI decline due to ongoing room renovations.

Interest expense for 1H2025 rose 4.3% (or S$1.0 million) yoy, mainly due to the addition of the Acquired Assets funded by borrowings, and the commencement of expensing borrowing costs (capitalised during the development stage) related to The Castings following its completion in mid-2024. On a same store basis, excluding The Castings and the Acquired Assets, interest costs would have been 8.0% (or S$1.8 million) lower yoy, reflecting the easing of floating interest rates in 1H2025 and CDLHT's proactive interest rate management.

Total distribution (after retention for working capital) for 1H2025 was S$25.1 million, 20.2% lower yoy. This decline was partly attributable to The Castings' ramp-up phase in 1H2025, where NPI was insufficient to offset the associated interest costs. Combined with the overall decrease in NPI and higher total interest expenses, this resulted in a lower distribution compared to 1H2024.

CAPITALISATION AND INDEBTEDNESS

The table below sets forth the consolidated capitalisation and indebtedness of the H-REIT Group, the HBT Group and CDLHT as at 30 June 2025. The information set out in this table has been extracted from and should be read in conjunction with the consolidated financial statements and related notes appearing elsewhere and/or incorporated by reference in this Information Memorandum.

	As at 30 June 2025 (S$'000)		
	HBT Group	**H-REIT Group**	**CDLHT**
Total current loans and borrowings	9,251	321,553	321,610
Total non-current loans and borrowings	426,136	1,094,030	1,206,562
Total loans and borrowings	**435,387**	**1,415,583**	**1,528,172**
Less: lease liabilities	(110,762)	(123,159)	(141,892)
Total loans and borrowings (excluding lease liabilities)[(1)]	**324,625**	**1,292,424**	**1,386,280**
Total Stapled Securityholders' funds	**(10,749)**	**1,767,499**	**1,796,723**
Total capitalisation[(2)]	**313,876**	**3,059,923**	**3,183,003**

Notes:

(1) At amortised cost.

(2) "**Total capitalisation**" is defined as borrowings and equity attributable to Stapled Securityholders.

Save as disclosed in this Information Memorandum, there has been no material change in the capitalisation or indebtedness of CDLHT since 30 June 2025 as at the date of this Information Memorandum.

RISK FACTORS

Prior to making an investment decision with respect to the Securities, all prospective investors and purchasers of the Securities should carefully consider all of the information contained in this Information Memorandum, including the risk factors set out below and the financial statements and related notes. The risk factors set out below do not purport to be complete or comprehensive of all the risks that may be involved in the businesses of the Relevant Issuer, H-REIT, HBT, the H-REIT Group, the HBT Group or CDLHT or any of their respective properties or any decision to purchase, own or dispose of the Securities. Additional risk factors which the Relevant Issuer is currently unaware of may also impair H-REIT's, HBT's, the H-REIT Group's, the HBT Group's or CDLHT's business, financial condition, performance or prospects. If any of the following risk factors develop into actual events, the business, assets, financial condition, performance or prospects of H-REIT, HBT, the H-REIT Group, the HBT Group or CDLHT could be materially and adversely affected. In such cases, the ability of the Relevant Issuer, H-REIT or HBT to comply with its obligations under the Trust Deed and the Securities may be adversely affected.

Due to the fact that CDLHT is a stapled group comprising the H-REIT Group and the HBT Group, risk factors for CDLHT include considerations relevant to the Securities, collective investment schemes and business trusts.

Prospective investors should not rely on the information set out herein as the sole basis for any investment decision in relation to the Securities but should seek appropriate and relevant advice concerning the appropriateness of an investment in the Securities for their particular circumstances.

As an investment in the Securities is meant to produce returns over the long term, investors should not expect to obtain short-term gains.

Headings and sub-headings are for convenience only and investment considerations and risk factors that appear under a particular heading or sub-heading may also apply to one or more other headings or sub-headings.

Limitations of this Information Memorandum

This Information Memorandum does not purport to nor does it contain all information that a prospective investor in the Securities may require in investigating the Issuers, H-REIT, HBT or CDLHT, prior to making an investment decision in relation to the Securities issued under the Programme. This Information Memorandum is not, and does not purport to be, investment advice. A prospective investor should make an investment in the Securities only after it has determined that such investment is suitable for its investment objectives. Determining whether an investment in the Securities is suitable is a prospective investor's responsibility, even if such investor has received information to assist it in making such a determination. Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Securities (nor any part thereof) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Relevant Issuer, any of the Dealer(s) or the Arranger that any recipient of this Information Memorandum or any such other document or information (or such part thereof) should subscribe for or purchase or sell any of the Securities.

Each person receiving this Information Memorandum acknowledges that such person has not relied on the Relevant Issuer, H-REIT's and HBT's subsidiaries or associates, any of the Dealer(s) or the Arranger or any person affiliated with each of them in connection with its investigation of the accuracy or completeness of the information contained herein or of any additional information considered by it to be necessary in connection with its investment decision. Any recipient of this Information Memorandum contemplating subscribing for or purchasing or selling any of the

Securities should determine for itself the relevance of the information contained in this Information Memorandum and any such other document or information (or any part thereof) and its investment should be, and shall be deemed to be, based solely upon its own independent investigation of the financial condition and affairs and its own appraisal of the creditworthiness, of the Relevant Issuer, H-REIT, HBT, the H-REIT Group and the HBT Group, the Conditions of the Securities and any other factors relevant to its decision, including the merits and risks involved. A prospective investor should consult with its legal, tax and financial advisers prior to deciding to make an investment in the Securities.

RISKS RELATING TO STAPLED TRUSTS

The Stapled Securities may be subsequently unstapled and the structure of CDLHT may be undermined

The Stapled Securities may in the future be unstapled for various reasons as set out in the Stapling Deed. In particular, the Stapled Securityholders may, for various reasons, decide that the Stapled Securities should be unstapled, subject to the Stapling Deed, the H-REIT Trust Deed, the HBT Trust Deed and any relevant legislation. In the event that the unstapling of the Stapled Securities should occur, the structure of CDLHT may be undermined and there may be ramifications and adverse effects to the Stapled Securityholders and the Securityholders.

The management for H-REIT and HBT may not comprise the same board of directors, which may lead to differences or deadlock in the operation of CDLHT

The appointment of the same, or substantially the same, board of directors for the H-REIT Manager and HBT Trustee-Manager is intended to promote efficient management of CDLHT. Due to the structure of CDLHT and the terms of the Stapling Deed, the H-REIT Manager and the HBT Trustee-Manager will be required to co-operate with each other in carrying out, among other things, administrative and managerial duties in respect of CDLHT.

The circumstances in which the H-REIT Manager and the HBT Trustee-Manager may be removed differ:

- Under the H-REIT Trust Deed, the H-REIT Manager may be removed by the H-REIT Trustee upon the occurrence of a number of events, including where a resolution has been passed by a simple majority of Unitholders present and voting (with no Unitholders being disenfranchised) at a meeting of the Unitholders, duly convened and held in accordance with the provisions of the H-REIT Trust Deed.

- The HBT Trust Deed however provides that the HBT Trustee-Manager may be removed only if holders of HBT Units, by a resolution duly passed by a majority consisting of 75.0% or more of the total number of votes present and voting (with no participants being disenfranchised) at a meeting of the holders of HBT Units duly convened and held, shall so decide.

The lower threshold of approval of Unitholders for the removal of the H-REIT Manager, as well as the existence of other grounds, gives rise to a higher possibility of the H-REIT Manager being removed and replaced as compared to the HBT Trustee-Manager. In the event that only the H-REIT Manager is removed and replaced, the HBT Trustee-Manager will be required to co-operate with the new manager of H-REIT (which will have a different board of directors from the HBT Trustee-Manager) in the management of CDLHT.

As a result, H-REIT will lose the advantage of being managed more efficiently by the same, or substantially the same, board of directors. Further, there can be no assurance that having different boards of directors for the H-REIT Manager and HBT Trustee-Manager will not lead to differences or deadlock in the operation of CDLHT, which may have adverse effects on CDLHT's financial condition and results of operations.

HBT is an active business trust and accordingly, activities carried out by HBT will affect the returns of CDLHT and CDLHT is subject to the operating risks of HBT

HBT is an active business trust and CDLHT will be affected by activities carried out by HBT and will also be subject to the operating risks of HBT. As at the date of this Information Memorandum, HBT is the master lessee of some of the Properties and in relation to those Properties owned by it (other than The Lowry Hotel), HBT also entered into Management Contracts with Management Companies to operate them. In addition, HBT may also undertake further hospitality and hospitality-related and living sector development projects, acquisitions and investments which may not be suitable for H-REIT.

As such, HBT faces risks normally associated with such activities including, but not limited to, material losses suffered as a result of business or commercial risks, downturns in the relevant economies or markets, a lack of demand for its products and services and an inability to compete effectively. Should HBT suffer losses, or should its relative returns based on criteria such as capital or equity employed be lower than that of H-REIT, the overall returns of CDLHT may be adversely affected since such returns comprise an aggregate of returns from both H-REIT and HBT.

RISKS RELATING TO THE SECURITIES GENERALLY

Limited liquidity of the Securities issued under the Programme

There can be no assurance regarding the future development of the market for the Securities issued under the Programme or the ability of the Securityholders, or the price at which the Securityholders may be able, to sell their Securities. The lack of liquidity may have a material adverse effect on the market value of the Securities. Although issuing additional Securities may increase their liquidity, there can be no assurance that the price of such Securities will not be adversely affected by such issuance in the market of such additional Securities.

Absence of secondary market for the Securities issued under the Programme

The Securities may have no established trading market when issued, and one may never develop. Even if a market for the Securities develops, there can be no assurance as to its liquidity or sustainability of any such market, the ability of Securityholders to sell their Securities or the price at which Securityholders will be able to sell their Securities. Investors may not be able to sell their Securities easily or at prices that will provide them with a yield comparable to similar investments with a developed secondary market. This may particularly be the case for Securities that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Securities generally may have a more limited secondary market and higher price volatility than conventional debt securities. If the Securities are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuers, H-REIT, HBT and CDLHT. If the Securities are trading at a discount, investors may not receive a favourable price for their Securities, and in some circumstances, investors may not be able to sell their Securities at their fair market value or at all.

Although an application will be made for the listing and quotation of Securities issued under the Programme agreed at or before issue thereof to be so listed on the SGX-ST, there is no assurance that such application will be approved, that any particular Series or Tranche of Securities will be so listed or that an active trading market will develop.

Fluctuation of the market value of the Securities issued under the Programme

The trading price of the Securities may be influenced by numerous factors, including the market for similar securities, the operating results and/or financial condition of the Issuers, H-REIT, HBT and/or their respective Related Entities (if any), and political, economic, financial and any other factors that can affect the capital markets, the industry, the Issuers, H-REIT, HBT and/or their respective Related Entities (if any) generally. Adverse economic developments, in Singapore and countries in which the Issuers, H-REIT, HBT and/or their respective Related Entities (if any) operate or have business dealings could have a material adverse effect on the operating results, business, financial performance and/or the financial condition of the Issuers, H-REIT, HBT and/or their respective Related Entities (if any). As a result, the market price of the Securities may be above or below the price at which the Securities were initially issued to the market.

Further, global financial turmoil, geopolitical and trade tensions between the U.S. and China, the imposition of tariffs by the U.S. on its trading partners, rising energy prices, interest rates volatility and rising inflation coupled with the ongoing conflict between Russia and Ukraine and the ongoing war between Hamas and Israel have resulted in substantial and continuing volatility in international capital markets. Any further deterioration in global financial or geopolitical conditions could have a material adverse effect on worldwide financial markets, which may also adversely affect the market price of the Securities.

Interest Rate Risk

An investment in fixed rate Securities involves the risk that subsequent changes in interest rates may adversely affect the value of the Securities and Securityholders may suffer unforeseen losses due to such fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in debt security prices, resulting in a capital loss for the Securityholders. However, the Securityholders may reinvest the interest or distribution payments at higher prevailing interest rates. Conversely, when interest rates fall, the price of the Securities may rise. Securityholders may enjoy capital gains but interest or distribution payments received may be reinvested at lower prevailing interest rates.

Inflation Risk

Securityholders may suffer erosion on the return of their investments due to inflation. Securityholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Securities. An unexpected increase in inflation could reduce the quantum of actual returns, as the principal repayment and interest payments or payments of distributions on the Securities may not keep pace with inflation.

The regulation and reform of "benchmark" rates of interest and indices may adversely affect the value of Securities linked to or referencing such "benchmarks"

The Programme allows for the issuance of Securities that reference certain interest rates or other types of rates or indices which are deemed to be "benchmarks". The Pricing Supplement for the Securities will specify which benchmark is applicable.

Interest rates and indices which are deemed to be or used as "benchmarks" are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Securities linked to or referencing such a benchmark.

Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**") applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union (the "**EU**"). Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). The EU Benchmarks Regulation, as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**") among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the UK Financial Conduct Authority (the "**FCA**") or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Securities linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international, national or other proposals for reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

The potential elimination of any benchmark or changes in the manner of administration of any benchmark, could require an adjustment to the Conditions, or result in other consequences in respect of any Securities linked to such benchmark. It is not possible to predict with certainty whether, and to what extent, any benchmark will continue to be supported going forward. This may cause such benchmark to perform differently than they have done in the past and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to the benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Securities linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark. Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Securities, the return on the relevant Securities and the trading market for securities based on the same benchmark.

The Conditions provide for certain fallback arrangements in the event that a Benchmark Event (as defined in the Conditions) occurs, including if an Original Reference Rate (as defined in the Conditions) ceases to be published for a period of at least five business days or ceases to exist, or if it has become unlawful for the Issuing and Paying Agent, the Calculation Agent, the Relevant Issuer or any other party to calculate any payments due to be made to any Securityholder using the Original Reference Rate. Such fallback arrangements include the possibility that the Rate of Interest or, as the case may be, the Rate of Distribution could be set by reference to a Successor Rate or an Alternative Rate (both as defined in the Conditions), with or without the application of an adjustment spread and may include amendments to the Conditions to ensure the proper

operation of the successor or replacement benchmark, all as determined by an Independent Adviser (acting in consultation with the Relevant Issuer). An adjustment spread, if applied, could be positive or negative and would be applied with a view to reducing or eliminating, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to investors arising out of the replacement of an Original Reference Rate. However, it may not be possible to determine or apply an adjustment spread and even if an adjustment is applied, such adjustment spread may not be effective to reduce or eliminate economic prejudice to investors. If no adjustment spread can be determined, a Successor Rate or Alternative Rate may nonetheless be used to determine the Rate of Interest or, as the case may be, the Rate of Distribution. The use of a Successor Rate or Alternative Rate (including with the application of an adjustment spread) will still result in any Securities linked to or referencing an Original Reference Rate performing differently (which may include payment of a lower Rate of Interest or, as the case may be, Rate of Distribution) than they would if the Original Reference Rate were to continue to apply in its current form.

If, following the occurrence of a Benchmark Event, no Successor Rate or Alternative Rate is determined, the ultimate fallback for the purposes of calculation of the Rate of Interest or, as the case may be, the Rate of Distribution for a particular Interest Period or, as the case may be, Distribution Period may result in the Rate of Interest or, as the case may be, the Rate of Distribution for the last preceding Interest Period or, as the case may be, Distribution Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes or Floating Rate Perpetual Securities or nullification of the reset mechanism for Fixed Rate Perpetual Securities (as applicable) based on the rate which was last observed on the relevant Screen Page. Due to the uncertainty concerning the availability of Successor Rates and Alternative Rates, the involvement of an Independent Adviser and the potential for further regulatory developments, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or UK Benchmarks Regulation, as applicable or any of the international or national reforms and the possible application of the benchmark replacement provisions of Securities in making any investment decision with respect to any Securities linked to or referencing a benchmark.

The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Notes or Floating Rate Perpetual Securities

Investors should be aware that the market continues to develop in relation to risk-free rates as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted. Please refer to "*Risk Factors – The regulation and reform of "benchmark" rates of interest and indices may adversely affect the value of Securities linked to or referencing such "benchmarks"*" for further details of the recent interest rates and benchmarks reform.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to any Securities that reference risk-free rates issued under the Programme. The Issuers may in the future also issue Securities referencing risk-free rates that differ materially in terms of interest determination when compared with any previous Securities referencing the same risk-free rate issued by them under the Programme. The development of risk-free rates as interest reference rates for the bond markets and of the market infrastructure for adopting such rates could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Securities issued under the Programme which references any such risk-free rate from time to time.

Furthermore, the basis of deriving certain risk-free rates, such as SORA, may mean that interest on the Securities which reference any such risk-free rate would only be capable of being determined after the end of the relevant observation period and immediately prior to the Interest Payment Date or, as the case may be, Distribution Payment Date. It may be difficult for investors in Securities which reference any such risk-free rate to accurately estimate the amount of interest, or, as the case may be, distribution which will be payable on such Securities, and some investors may be unable or unwilling to trade such Securities without changes to their IT systems, both of which could adversely impact the liquidity of such Securities. Further, in contrast to Singapore Interbank Offered Rate-linked securities, if Securities referencing SORA become due and payable as a result of an event of default, or, as the case may be, enforcement event under the Conditions, the rate of interest or distribution payable for the final Interest Period, or, as the case may be, Distribution Period in respect of such Securities may only be determined on the date which the Securities become due and payable and shall not reset after. Investors should consider these matters when making their investment decision with respect to any such Securities.

In addition, the manner of adoption or application of risk-free rates in the bond markets may differ materially compared with the application and adoption of such risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of risk-free rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Securities referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk-free rate securities issued to date. No assurance can be given that any particular methodology, including the compounding formula in the Conditions of the Securities, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. If the relevant risk-free rates do not prove to be widely used in securities like the Securities, the trading price of such Securities linked to such risk-free rates may be lower than those of securities referencing indices that are more widely used.

Risk-free rates offered as alternatives to interbank offered rates also have a limited performance history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Securities may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates, such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data. Investors should also be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates. In addition, the methods of calculation, publication schedule, rate revision practices or availability of a relevant risk-free rate may be subject to alteration by the relevant administrator and any such alterations could have a material adverse impact on the value and return on such risk-free rate instruments.

Since risk-free rates are relatively new market indices, Securities linked to any such risk-free rate may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to any risk-free rate, such as the spread over the index reflected in interest or distribution rate provisions, may evolve over time, and trading prices of such Securities may be lower than those of later-issued indexed debt securities as a result. Further, if any risk-free rate to which a series of Securities is linked does not prove to be widely used in securities like the Securities, the trading price of such Securities linked to a risk-free rate may be lower than those of Securities linked to indices that are

more widely used. Investors in such Securities may not be able to sell such Securities at all or may not be able to sell such Securities at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that any risk-free rate to which a series of Securities is linked will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Securities linked to or which reference such risk-free rate (or that any applicable benchmark fallback provisions provided in the Conditions will provide a rate which is economically equivalent for holders). If the manner in which such risk-free rate is calculated is changed, that change may result in a reduction of the amount of interest or distributions (as the case may be) payable on such Securities and the trading prices of such Securities.

Performance of contractual obligations by the Relevant Issuer is dependent on other parties

The ability of the Relevant Issuer to make payments in respect of the Securities may depend upon the due performance by the other parties to the documents relating to the Programme or an issue of Securities of their obligations thereunder including the performance by the Trustee and each of the Agents of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Relevant Issuer of its obligations to make payments in respect of the Securities, the Relevant Issuer may not, in such circumstances, be able to fulfil its obligations to the Securityholders and the Couponholders.

The Securities may not be a suitable investment for all investors

Each potential investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Securities, the merits and risks of investing in the relevant Securities and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement or amendment to this Information Memorandum;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Securities and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Securities, including Securities with principal, interest or distribution payable in one or more currencies, or where the currency for principal, interest or distribution payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the relevant Securities and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Securities are complex financial instruments. Investors generally do not purchase complex financial instruments as standalone investments, but rather as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Securities unless it has the expertise (either alone or with a financial adviser) to evaluate how the Securities will perform under changing conditions, the resulting effects on the value of such Securities and the impact such investment will have on the potential investor's overall investment portfolio.

Legal risk factors may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult with its legal advisers to determine whether and to what extent (1) the Securities are legal investments for it, (2) the Securities can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Securities under any applicable risk-based capital or similar rules.

Securities may be issued at a substantial discount or premium

The market value of Securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than the prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Securityholders should be aware that Definitive Securities and Certificates which have a denomination that is not an integral multiple of the minimum Denomination Amount may be illiquid and difficult to trade

In relation to any issue of Securities which have a denomination of a specified minimum amount ("**minimum Denomination Amount**") plus a higher integral multiple of another smaller amount, it is possible that the Securities may be traded in amounts in excess of the minimum Denomination Amount that are not integral multiples of such minimum Denomination Amount. In such a case, a Securityholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Denomination Amount will not receive a Definitive Security or Certificate in respect of such holding (should Definitive Securities or Certificates be printed) and would need to purchase a principal amount of Securities such that it holds an amount equal to or more than the minimum Denomination Amount. If Definitive Securities or Certificates are issued, holders should be aware that Definitive Securities or Certificates which have a denomination that is not an integral multiple of the minimum Denomination Amount may be illiquid and difficult to trade. Definitive Securities and Certificates will in no circumstances be issued to any person holding Securities in an amount lower than the minimum denomination and such Securities will be cancelled and holders will have no rights against the Relevant Issuer (including rights to receive principal, interest or distribution or to vote or attend meetings of Securityholders) in respect of such Securities.

The Group may not fully hedge the currency risks associated with Securities denominated in foreign currencies

As Securities issued under the Programme can be denominated in currencies other than Singapore dollars, the Issuers, H-REIT, HBT and/or CDLHT may be affected by fluctuations between the Singapore dollar and such foreign currencies in meeting the payment obligations under such Securities and there is no assurance that the Issuers, H-REIT, HBT and/or CDLHT may be able to fully hedge the currency risks associated with such Securities denominated in foreign currencies.

Exchange rate risks and exchange controls may result in Securityholders receiving less principal, interest or distribution than expected

The Relevant Issuer will pay principal, interest and distribution on the Securities in the currency specified. This presents certain risks relating to currency conversions if a Securityholder's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the currency in which the Securities are denominated. These include the

risk that exchange rates may significantly change (including changes due to devaluation of the currency in which the Securities are denominated or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the currency in which the Securities are denominated would decrease (i) the Investor's Currency equivalent yield on the Securities, (ii) the Investor's Currency equivalent value of the principal payable on the Securities and (iii) the Investor's Currency equivalent market value of the Securities.

Governments and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Securityholders may receive less principal, interest and/or distributions than expected, or no principal, interest and/or distributions at all.

A change in Singapore law which governs the Securities may adversely affect Securityholders

The Securities are governed by Singapore law. No assurance can be given as to the impact of any possible judicial decision or change to Singapore law or administrative practice after the date of issue of the Securities and any such change could materially adversely impact the value of any Securities affected by it.

The Securities are not secured

The Securities and the Coupons relating to them constitute direct, unconditional, unsubordinated (except in the case of Subordinated Perpetual Securities and the Coupons relating thereto) and unsecured obligations of the Relevant Issuer and shall at all times rank *pari passu* without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Relevant Issuer.

Accordingly, on a winding-up or termination of the Relevant Issuer or (where applicable) H-REIT and/or HBT at any time prior to maturity of any Securities, the Securityholders will not have recourse to any specific assets of the Relevant Issuer and its Related Entities, H-REIT and/or HBT as security for outstanding payment or other obligations under the Securities and/or Coupons owed to the Securityholders and there can be no assurance that there would be sufficient value in the assets of the Relevant Issuer, H-REIT and/or HBT, after meeting all claims ranking ahead of the Securities, to discharge all outstanding payment and other obligations under the Securities and/or Coupons owed to the Securityholders.

Enforcement against the H-REIT Trustee is subject to limitations

Enforcement of payment under the Securities issued by the Relevant Issuer could be dependent on the H-REIT Trustee's right of indemnity out of the assets of H-REIT and various other factors arising from the trust structure of H-REIT.

Securityholders and potential investors in the Securities should note that the Securities are issued by the H-REIT Trustee and not H-REIT, as the latter is not a legal entity. Under the terms of the Securities, Securityholders shall only have recourse to the assets of H-REIT which DBS Trustee Limited has recourse to under or in relation to the H-REIT Trust Deed and not DBS Trustee Limited personally nor any other asset held by DBS Trustee Limited as trustee of any trust other than H-REIT. Furthermore, Securityholders do not have direct access to the assets of H-REIT but may only have recourse to such assets through the H-REIT Trustee and if necessary seek directions of a court to subrogate the H-REIT Trustee's right of indemnity out of the assets of H-REIT, and accordingly, any claim of the Securityholders to such assets of H-REIT is derivative in nature. A

Securityholder's right of subrogation could be limited by the H-REIT Trustee's right of indemnity under or in relation to the H-REIT Trust Deed.

Securityholders should also note that such right of indemnity of the H-REIT Trustee may be limited or lost through fraud, negligence, breach of duty or breach of trust or by reason of other liabilities that the H-REIT Trustee may be liable to pay or contribute towards H-REIT. Where the H-REIT Trustee commits a breach of trust (whether or not such breach is committed in relation to the Securities), the assets of H-REIT may only be available to satisfy claims under the Securities upon the H-REIT Trustee first making good any loss arising from such breach of trust.

In addition, Securityholders should note that they may be adversely affected if the H-REIT Trustee becomes insolvent, is wound-up or is placed under judicial management. If such an event occurs, the enforcement of payment under the Securities may be subject to delay and/or otherwise be impacted by such proceedings.

Enforcement against the HBT Trustee-Manager is subject to limitations

Enforcement of payment under the Securities issued by the Relevant Issuer could be dependent on the HBT Trustee-Manager's right of indemnity out of the assets of HBT and various other factors arising from the trust structure of HBT.

Securityholders and potential investors in the Securities should note that the Securities are issued by the HBT Trustee-Manager and not HBT, as the latter is not a legal entity. Under the terms of the Securities, Securityholders shall only have recourse to the assets of HBT which M&C Business Trust Management Limited has recourse to under or in relation to the HBT Trust Deed and not M&C Business Trust Management Limited personally nor any other asset held by M&C Business Trust Management Limited in its capacity as trustee-manager of any trust other than HBT. Furthermore, Securityholders do not have direct access to the assets of HBT but may only have recourse to such assets through the HBT Trustee-Manager and if necessary seek directions of a court to subrogate the HBT Trustee-Manager's right of indemnity out of the assets of HBT, and accordingly, any claim of the Securityholders to such assets of HBT is derivative in nature. A Securityholder's right of subrogation could be limited by the HBT Trustee-Manager's right of indemnity under the HBT Trust Deed.

Securityholders should also note that such right of indemnity of the HBT Trustee-Manager may be limited or lost through fraud, negligence, breach of duty or breach of trust or by reason of other liabilities that the HBT Trustee-Manager may be liable to pay or contribute towards HBT. Where the HBT Trustee-Manager commits a breach of trust (whether or not such breach is committed in relation to the Securities), the assets of HBT may only be available to satisfy claims under the Securities upon the HBT Trustee-Manager first making good any loss arising from such breach of trust.

In addition, Securityholders should note that they may be adversely affected if the HBT Trustee-Manager becomes insolvent, is wound-up or is placed under judicial management. If such an event occurs, the enforcement of payment under the Securities may be subject to delay and/or otherwise be impacted by such proceedings.

Commencement of proceeding under applicable Singapore insolvency or related laws may result in a material adverse effect on the Securityholders

There can be no assurance that H-REIT, HBT, DBS Trustee Limited and/or M&C Business Trust Management Limited will not become bankrupt, unable to pay its debts or insolvent or be the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. Whereas Singapore insolvency and related laws applicable to companies are not directly applicable to real estate investment trusts and

business trusts, DBS Trustee Limited and/or M&C Business Trust Management Limited could be subject to these laws, and the application of these laws, insofar as it relates to liabilities incurred and assets held by DBS Trustee Limited (on trust for H-REIT) or M&C Business Trust Management Limited (on trust for HBT), may have a material adverse effect on the Securityholders. Without being exhaustive, below are some matters that could have a material adverse effect on the Securityholders.

Where H-REIT, HBT, DBS Trustee Limited and/or M&C Business Trust Management Limited is insolvent or close to becoming insolvent and H-REIT, HBT, DBS Trustee Limited or M&C Business Trust Management Limited undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to H-REIT, HBT, DBS Trustee Limited or, as the case may be, M&C Business Trust Management Limited. It may also be possible that if a company related to H-REIT, HBT, DBS Trustee Limited or, as the case may be, M&C Business Trust Management Limited proposes a creditor scheme of arrangement and obtains an order for a moratorium, H-REIT, HBT, DBS Trustee Limited or, as the case may be, M&C Business Trust Management Limited may also seek a moratorium even if H-REIT, HBT, DBS Trustee Limited or M&C Business Trust Management Limited is not itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, additionally with the permission of the relevant judicial manager. Accordingly, if for instance there is any need for the Trustee to bring an action against H-REIT, HBT, DBS Trustee Limited (whether in its own capacity or as the H-REIT Trustee) or, as the case may be, M&C Business Trust Management Limited (whether in its own capacity or as the HBT Trustee-Manager), the need to obtain court permission or the judicial manager's consent (in the case of judicial management) may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Securityholders may be made subject to a binding scheme of arrangement where the majority in number (or such number as the court may order) representing at least 75 per cent. in value of creditors and the court approve such scheme. In respect of such schemes of arrangement, there are cram-down provisions that may apply to a dissenting class of creditors. The court may notwithstanding a single class of dissenting creditors approve a scheme provided an overall majority in number representing at least 75 per cent. in value of the creditors meant to be bound by the scheme have agreed to it and provided that the scheme does not unfairly discriminate and is fair and equitable to each dissenting class and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Securityholders may be bound by a scheme of arrangement to which they may have dissented.

The Insolvency, Restructuring and Dissolution Act 2018 of Singapore (the "**IRD Act**") was passed in Parliament on 1 October 2018 and has come into force on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with, a debenture. However, it may apply to related contracts that are not found to be directly connected with the Securities.

The Trustee may request Securityholders to provide an indemnity and/or security and/or pre-funding to its satisfaction

In certain circumstances (including, without limitation, pursuant to Condition 11 of the Notes or, as the case may be, Condition 9 of the Perpetual Securities), the Trustee may at its sole discretion request Securityholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes action on behalf of Securityholders. The Trustee shall not be obliged

to take any such action if not first indemnified and/or secured and/or pre-funded to its satisfaction nor shall it be responsible for any loss or liability incurred by any person as a result of any delay in exercising such power or not taking any such action. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may have an impact on when such actions can be taken. The Trustee may not be able to take action, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Securityholders to take such actions directly. In addition, Securityholders should note that under the Trust Deed, the Trustee has the right, subject to any written law for the time being in force upon the provision of prior notice and if it has reasonable grounds to believe that an Event of Default or an Enforcement Event (each as defined in the Trust Deed) is likely to occur or would have occurred, to inspect the accounting and other records of the Group.

Enforcement of remedies

Enforcement of available remedies under the Trust Deed, the Securities, the Coupons and the Talons, could result in delays in recovery of amounts owed to the Securityholders by the Issuers. There is no assurance that the Trustee would recover all amounts secured upon such enforcement, and funds received may not be sufficient to make all required payments to any Securityholders.

The Securities may be represented by Global Securities or Global Certificates and holders of a beneficial interest in a Global Security or Global Certificate must rely on the procedures of the relevant Clearing System (as defined below)

Securities issued under the Programme may be represented by one or more Global Securities or Global Certificates. Such Global Securities or Global Certificates will be deposited with or registered in the name of, or in the name of a nominee of, a common depositary for Euroclear and/or Clearstream, Luxembourg, or lodged with CDP (each of Euroclear, Clearstream, Luxembourg and CDP, a "**Clearing System**"). Except in the circumstances described in the relevant Global Security or Global Certificate, investors will not be entitled to receive Definitive Securities. The relevant Clearing System will maintain records of their direct accountholders in relation to the Global Securities and Global Certificates. While the Securities are represented by one or more Global Securities or Global Certificates, investors will be able to trade their beneficial interests only through the relevant Clearing System.

While the Securities are represented by one or more Global Securities or Global Certificates, the Relevant Issuer will discharge its payment obligations under the Securities by making payments to the common depositary for Euroclear and/or Clearstream, Luxembourg or, as the case may be, to CDP, for distribution to their accountholders or, as the case may be, to the CDP Issuing and Paying Agent for distribution to the holders as appearing in the records of the relevant Clearing System. A holder of a beneficial interest in a Global Security or Global Certificate must rely on the procedures of the relevant Clearing System to receive payments under the relevant Securities. None of the Relevant Issuer nor the Trustee bears any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Securities or Global Certificates.

Holders of beneficial interests in the Global Securities and Global Certificates will not have a direct right to vote in respect of the relevant Securities. Instead, such holders may be permitted to act only to the extent that they are enabled by the relevant Clearing System to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Securities and Global Certificates will not have a direct right under the respective Global Securities and Global Certificates to take enforcement action against the Relevant Issuer following an Event of Default or, as the case may be, Enforcement Event under the relevant Securities but will have to rely upon their rights under the Trust Deed.

Securityholders may be subject to tax in Singapore and other jurisdictions

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences of the acquisition, ownership or disposition of the Securities. See "Singapore Taxation" for certain Singapore tax consequences.

Modification, waivers and substitution

The Conditions contain provisions for calling meetings of Securityholders to consider matters affecting their interests generally. The Trustee or the Relevant Issuer may, and the Trustee upon the request in writing by Securityholders holding not less than 10 per cent. of the principal amount of the Securities of any Series for the time being outstanding and after being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses shall, convene a meeting of the Securityholders of that Series. These provisions permit defined majorities to bind all Securityholders, including Securityholders who did not attend and vote at the relevant meeting and Securityholders who voted in a manner contrary to the majority.

The Conditions also provide that the Trustee may (but is not obliged to), without the consent of the Securityholders or the Couponholders, agree to (i) any modification of any of the provisions of the Trust Deed or any of the other Transaction Documents (as defined in the Trust Deed) that is in the opinion of the Trustee of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of Singapore law or is required by the relevant Clearing System in which the Securities may be held and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any of the other Transaction Documents that is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders. Any such modification, authorisation or waiver shall be binding on the Securityholders and the Couponholders and, if the Trustee so requires, such modification, authorisation or waiver shall be notified to the Securityholders and the Couponholders as soon as practicable.

Securityholders should be aware that the Trustee's ability to obtain certain information from the Issuers under the Trust Deed is limited

Securityholders and potential investors should note that the Issuers' undertaking in the Trust Deed to provide the Trustee with such information as the Trustee may reasonably require for the discharge of its duties is subject to carve-outs that may limit the information available to the Trustee and, indirectly, to Securityholders. In particular, prior to the occurrence of an Event of Default or an Enforcement Event, the undertaking does not apply to price sensitive information or to confidential information (including proprietary information and information subject to contractual confidentiality obligations) to the extent that such confidential information does not relate to anything which materially and adversely affects or will materially and adversely affect the financial position of the Relevant Issuer. In addition, following the occurrence of an Event of Default or an Enforcement Event, the undertaking will continue not to apply to confidential information where disclosure requires third-party consent and such consent is refused, notwithstanding the Relevant Issuer's obligation to use its best endeavours to obtain such consent. As a result of these limitations, the Trustee may not have access to certain categories of information regarding H-REIT, HBT, the H-REIT Group and the HBT Group, including information that could otherwise assist the Trustee in monitoring compliance, assessing the financial condition or operations of the Relevant Issuer or evaluating potential risks. This may, in turn, affect the timing, scope or effectiveness of any actions taken by the Trustee (including in anticipation of, or following, an Event of Default or Enforcement Event).

RISKS RELATING TO THE NOTES

The Notes are subject to mandatory redemption in the event of termination of H-REIT or HBT

In the event that H-REIT or HBT is terminated in accordance with the provisions of the H-REIT Trust Deed or, as the case may be, the HBT Trust Deed, the Relevant Issuer shall redeem all of the Notes at their Redemption Amount together with interest accrued to the date fixed for redemption on any date on which interest is due to be paid on such Notes or, if earlier, the date of termination of H-REIT or HBT, as the case may be. In that event, an investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate.

Variable Rate Notes may have a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

The Notes may be subject to optional redemption by the Relevant Issuer

An optional redemption feature is likely to limit the market value of the Notes. During any period when the Relevant Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. The Relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, Noteholders generally would not be able to reinvest the redemption proceeds at an effective interest rate that is as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Singapore Tax Risk

The Notes to be issued from time to time under the Programme during the period from the date of this Information Memorandum to 31 December 2028 are intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section titled "Singapore Taxation" of this Information Memorandum.

However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time.

RISKS RELATING TO THE PERPETUAL SECURITIES

Perpetual Securities may be issued for which investors have no right to require redemption

The Perpetual Securities are perpetual and have no fixed final redemption date. Perpetual Securityholders have no right to require the Relevant Issuer to redeem Perpetual Securities at any time, and an investor who acquires Perpetual Securities may only dispose of such Perpetual Securities by sale. Perpetual Securityholders who wish to sell their Perpetual Securities may be unable to do so at a price at or above the amount they have paid for them, or at all. Therefore, Perpetual Securityholders should be aware that they may be required to bear the financial risks of an investment in Perpetual Securities for an indefinite period of time. Distributions are discretionary and non-cumulative. Perpetual Securityholders may not receive distribution payments if the H-REIT Trustee elects to not pay all or a part of a distribution under the Conditions of the H-REIT Perpetual Securities and the Conditions of the HBT Perpetual Securities.

If specified in the relevant Pricing Supplement, Perpetual Securityholders may not receive distribution payments if the Relevant Issuer elects not to pay all or a part of a distribution under the Conditions of the Perpetual Securities

If Optional Payment is specified in the relevant Pricing Supplement, the Relevant Issuer may, at its sole discretion, elect not to pay any scheduled distribution on the Perpetual Securities in whole or in part for any period of time. The Relevant Issuer is not subject to any limit as to the number of times or the amount with respect to which the Relevant Issuer can elect not to pay distributions under the Perpetual Securities. While the Relevant Issuer may, at its sole discretion, and at any time, elect to pay an Optional Distribution, being an optional amount equal to the amount of distribution which is unpaid in whole or in part, there is no assurance that the Relevant Issuer will do so, and distributions which are not paid in whole or in part may remain unpaid for an indefinite period of time. Any non-payment of a distribution in whole or in part in accordance with the Conditions of the Perpetual Securities shall not constitute a default for any purpose. Any election by the Relevant Issuer not to pay a distribution in whole or in part, will likely have an adverse effect on the market price of the Perpetual Securities. In addition, as a result of the discretionary and non-cumulative nature of the distribution payable in respect of the Perpetual Securities and the Relevant Issuer's ability to elect not to pay a distribution in whole or in part, the market price of the Perpetual Securities may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such election not to pay and may be more sensitive generally to adverse changes in the Relevant Issuer's or CDLHT's financial condition.

The Subordinated Perpetual Securities are unsecured and subordinated obligations

The obligations of the Relevant Issuer under the Subordinated Perpetual Securities will constitute unsecured and subordinated obligations of the Relevant Issuer.

Subject to the insolvency laws of Singapore and other applicable laws, if a final and effective order is made or an effective resolution is passed for the Winding-up of the H-REIT, there shall be payable by the H-REIT Trustee in respect of each Subordinated Perpetual Security (in lieu of any other payment by the H-REIT Trustee), such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the Winding-Up of the H-REIT Trustee and/or H-REIT, and thereafter, such Perpetual Securityholder were the holder of one of a class of preferred units in the capital of H-REIT (and if more than one class of preferred units is outstanding, the most junior ranking class of such preferred units) (the "**H-REIT Notional Preferred Units**") having an equal right to return of assets in the Winding-Up of H-REIT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the Winding-Up of and/or H-REIT, and so rank ahead of the holders of Junior Obligations (as defined in the Conditions of the H-REIT Perpetual Securities) of the H-REIT Trustee but junior to the claims of all other present and future creditors of the H-REIT Trustee (other than Parity Obligations of the H-REIT Trustee), on the assumption that the amount that such Perpetual Securityholder was entitled to receive under the Conditions in respect of each H-REIT Notional Preferred Unit on a return of assets in such Winding-Up of H-REIT were an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Subordinated Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions (as defined in the Conditions of the H-REIT Perpetual Securities) in respect of which the H-REIT Trustee has given notice to the holder of Subordinated Perpetual Securities in accordance with the Conditions of the H-REIT Perpetual Securities. In the event of a shortfall of funds or a Winding-Up of H-REIT, there is a real risk that an investor in the Subordinated Perpetual Securities will lose all or some of its investment and will not receive a full return of the principal amount or any accrued and unpaid distribution.

Subject to the insolvency laws of Singapore and other applicable laws, if a final and effective order is made or an effective resolution is passed for the Winding-up of and/or HBT, there shall be payable by the HBT Trustee-Manager in respect of each Subordinated Perpetual Security (in lieu of any other payment by the HBT Trustee-Manager), such amount, if any, as would have been payable to such Perpetual Securityholder if, on the day prior to the commencement of the Winding-Up of HBT, and thereafter, such Perpetual Securityholder were the holder of one of a class of preferred units in the capital of HBT (and if more than one class of preferred units is outstanding, the most junior ranking class of such preferred units) (the "**HBT Notional Preferred Units**") having an equal right to return of assets in the Winding-Up of the HBT Trustee-Manager and/or HBT and so ranking *pari passu* with the holders of that class or classes of preferred units (if any) which have a preferential right to return of assets in the Winding-Up of HBT, and so rank ahead of the holders of Junior Obligations (as defined in the Conditions of the HBT Perpetual Securities) of the HBT Trustee-Manager but junior to the claims of all other present and future creditors of the HBT Trustee-Manager (other than Parity Obligations of the HBT Trustee-Manager), on the assumption that the amount that such Perpetual Securityholder was entitled to receive under the Conditions in respect of each HBT Notional Preferred Unit on a return of assets in such Winding-Up of HBT were an amount equal to the principal amount (and any applicable premium outstanding) of the relevant Subordinated Perpetual Security together with distributions accrued and unpaid since the immediately preceding Distribution Payment Date or the Issue Date (as the case may be) and any unpaid Optional Distributions (as defined in the Conditions of the HBT Perpetual Securities) in respect of which the HBT Trustee-Manager has given notice to the holder of Subordinated Perpetual Securities in accordance with the Conditions of the HBT Perpetual Securities. In the event of a shortfall of funds or a Winding-Up of HBT, there is a real risk that an investor in Subordinated Perpetual Securities will lose all or some of its investment and will not receive a full return of the principal amount or any accrued and unpaid distribution.

In addition, subject to the limit on the aggregate principal amount of Securities that can be issued under the Programme (which can be amended from time to time by the Relevant Issuer without the consent of the Securityholders), there is no restriction on the amount of unsubordinated securities or other liabilities which the Relevant Issuer may issue or incur and which rank senior to, or *pari passu* with, the Subordinated Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holder of Subordinated Perpetual Securities on a Winding-Up of the Relevant Issuer, H-REIT and/or HBT may increase the likelihood of a non-payment of distribution under the Subordinated Perpetual Securities.

If so specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer on the date(s) specified in the relevant Pricing Supplement or on the occurrence of certain other events

The Perpetual Securities have no fixed final redemption date. If specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer on certain date(s) specified in the relevant Pricing Supplement at their principal amount (or such other redemption amount stated in the relevant Pricing Supplement) together with all outstanding Optional Distribution, Arrears of Distribution, Additional Distribution Amount and distribution accrued to (but excluding) the date fixed for redemption. In addition, if specified on the relevant Pricing Supplement, the Relevant Issuer may, at its option, redeem the Perpetual Securities in whole, but not in part, on any Distribution Payment Date, or at any time after such Distribution Payment Date, upon the occurrence of certain other events. Please refer to the sections titled "Terms and Conditions of the H-REIT Perpetual Securities – Redemption and Purchase" and "Terms and Conditions of the HBT Perpetual Securities – Redemption and Purchase" in this Information Memorandum.

The date on which the Relevant Issuer elects to redeem the Perpetual Securities may not accord with the preference of individual Perpetual Securityholders. This may be disadvantageous to Perpetual Securityholders in light of market conditions or the individual circumstances of the holder of Perpetual Securities. In addition, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective distribution rate at the same level as that of the Perpetual Securities.

There are limited remedies for non-payment under the Perpetual Securities

Any scheduled distribution will not be due if the Relevant Issuer elects not to pay all or a part of that distribution pursuant to the Conditions of the Perpetual Securities. Notwithstanding any of the provisions relating to non-payment defaults, the right to institute proceedings is limited to circumstances where payment has become due and the Relevant Issuer fails to make the payment when due and such failure continues for a period of 15 business days after the due date. The only remedy against the Relevant Issuer available to any Perpetual Securityholder for recovery of amounts in respect of the Perpetual Securities following the occurrence of a payment default after any sum becomes due in respect of the Perpetual Securities will be instituting proceedings for the Winding-Up of H-REIT (as defined in the Conditions of the H-REIT Perpetual Securities) or, as the case may be, the Winding-Up of HBT (as defined in the Conditions of the HBT Perpetual Securities), proving in such Winding-Up of H-REIT or, as the case may be, Winding-Up of HBT and/or claiming in the liquidation of the Relevant Issuer, H-REIT and/or HBT in respect of any payment obligations of the Relevant Issuer arising from the Perpetual Securities. As H-REIT is an authorised collective investment scheme, the enforcement of any remedy will be subject to the prevailing laws and legislation applicable to collective investment schemes in Singapore.

The Relevant Issuer may raise or redeem other capital which affects the price of the Perpetual Securities

The Relevant Issuer may raise additional capital through the issue of other securities or other means. There is no restriction, contractual or otherwise, on the amount of securities or other liabilities which the Relevant Issuer may issue or incur and which rank senior to, or *pari passu* with, the Perpetual Securities. Similarly, subject to compliance with the Conditions of the Perpetual Securities, the Relevant Issuer may redeem securities that rank junior to, *pari passu* with, or senior to the Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities or the redemption of any such securities may reduce the amount (if any) recoverable by Perpetual Securityholders on a Winding-Up of the Relevant Issuer, H-REIT and/or HBT, and may increase the likelihood of a deferral of distribution under the Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities or the redemption of any such securities might also have an adverse impact on the trading price of the Perpetual Securities and/or the ability of Perpetual Securityholders to sell their Perpetual Securities.

Any future changes in the accounting treatment of the Perpetual Securities may entitle the Relevant Issuer to redeem such Securities

Any changes or amendments to the SFRS(I) or any other accounting standards that may replace SFRS(I) for the purposes of the consolidated financial statements of the Relevant Issuer which results in the Perpetual Securities not being regarded as "equity" of the Relevant Issuer will allow the Relevant Issuer to redeem such Perpetual Securities if so provided in the Pricing Supplement.

The date on which the Relevant Issuer elects to redeem the Perpetual Securities may not accord with the preference of individual Perpetual Securityholders. This may be disadvantageous to Perpetual Securityholders in light of market conditions or the circumstances of individual Perpetual Securityholder. In addition, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective distribution rate at the same level as that of the Perpetual Securities.

Tax treatment of the Perpetual Securities is unclear

It is not clear whether any particular tranche of the Perpetual Securities (the "**Relevant Tranche of the Perpetual Securities**") will be regarded as "debt securities" by the IRAS for the purposes of the ITA, or whether distribution payments made under the Relevant Tranche of the Perpetual Securities (including, without limitation, any Optional Distribution, Arrears of Distribution and any Additional Distribution Amount) will be regarded by IRAS as interest payable on indebtedness for the purposes of the ITA or whether the tax exemptions or tax concessions available for qualifying debt securities under the qualifying debt securities scheme (as set out in the section titled "Taxation – Singapore Taxation" of this Information Memorandum) would apply to the Relevant Tranche of the Perpetual Securities.

If the Relevant Tranche of the Perpetual Securities is not regarded as "debt securities" for the purposes of the ITA, or the distribution payments made under the Relevant Tranche of the Perpetual Securities (including, without limitation, any Optional Distribution, Arrears of Distribution and any Additional Distribution Amount) are not regarded by IRAS as interest payable on indebtedness for the purposes of the ITA or holders thereof are not eligible for the tax exemptions or tax concessions under the qualifying debt securities scheme, the tax treatment to holders may differ. In addition, in the event that the IRAS does not regard the Relevant Tranche of the Perpetual Securities issued by the H-REIT Trustee as "debt securities" for Singapore income tax purposes, payments in respect of such Relevant Tranche of the Perpetual Securities (including, without limitation, the distributions, Optional Distribution, Arrears of Distribution and any Additional Distribution Amount) may be subject to Singapore income tax, and the H-REIT Trustee may be obliged (in certain circumstances) to withhold or deduct tax on such payments. In that event, the H-REIT Trustee will not pay any additional amounts in respect of any such withholding or deduction from such payments in respect of such Relevant Tranche of the Perpetual Securities in connection therewith for or on account of any such taxes or duties.

Investors and holders of the Relevant Tranche of the Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Relevant Tranche of the Perpetual Securities.

For further details of the tax treatment of the Perpetual Securities, see the section titled "SINGAPORE TAXATION".

RISKS RELATING TO CDLHT'S BUSINESS AND OPERATIONS

RISKS RELATING TO THE GLOBAL HOSPITALITY INDUSTRY AND THE LIVING SECTOR

The financial performance of CDLHT is dependent on the conditions of the hospitality industry and the living sector in the countries in which CDLHT has assets and/or operates, which is in turn susceptible to cyclicality and other factors outside the control of CDLHT or the Managers

CDLHT's investments are primarily in the hospitality and hospitality-related industry and the living sector (such as BTR assets and PBSA) and as such, it is subject to the operating and market risks inherent in these industries. A number of factors affecting Singapore and other countries in which the Group operates, many of which are common to these industries and which are beyond the control of CDLHT, could adversely affect the business, financial condition, results of operations, valuation and prospects of CDLHT.

- In particular, the businesses operating in the hospitality industry and living sector are cyclical in nature and sensitive to external economic as well as political changes, including the following: the condition of, and changes in, the domestic, regional and global economies, including, but not limited to, factors such as the political landscape, environmental conditions

and widespread communicable diseases or other serious public health concerns and the measures taken by the governments of affected countries to address such issues that may result in reduced occupancy rates, room and rental rates for the Properties;

- other factors, such as acts of terrorism, terrorist events, war, riots, military coups, civil commotions, hostilities between countries, labour shortages, transport strikes, work stoppages or disputes, acts of God, natural disasters or other extreme weather conditions that may disrupt travel and reduce the number of business travellers, and tourists or the number of international students willing to study or to continue their studies in such affected countries; dependence on business travel, leisure travel and tourism, all of which may affect the length of a hotel guest's stay; hotel guests typically stay on a short-term basis and there is therefore no assurance of long-term occupancy for hotel rooms;

- new supply of hospitality and living assets such as BTR housing and/or student accommodation in the markets in which CDLHT operates, could adversely affect the occupancy levels and revenue at the Properties or future assets of CDLHT; an oversupply of a certain type of accommodation in order to meet a trending demand in the market could also adversely affect the performance of similar assets of CDLHT;

- changes in CDLHT's relationships with, and the performance and reputation of the Management Companies and Master Lessees as well as other service providers, tenants, operators, brand owners, franchisors and other companies with whom CDLHT may contract with;

- changes in governmental laws and regulations, fiscal policies, zoning ordinances including those governing usage, zoning, taxes, government charges, labour laws and environmental issues and the related costs of compliance (including unforeseen capital expenditure and management expenses) with laws and regulations, fiscal policies and ordinances, laws, regulations and policies which curb immigration and those relating to international student intake;

- competition for occupants from other hospitality, serviced residence, short-term rental, co-living, BTR, and PBSA properties that may affect rental and occupancy levels in the Properties;

- increases in operating costs due to inflation, property taxes and statutory charges, labour costs (including the impact of unionisation), workers' compensation and health-care related costs, utility costs, insurance and unanticipated costs such as acts of nature and their consequences; changes in foreign currency exchange rates that may adversely affect CDLHT's operating results and valuations;

- changes in interest rates and availability of financing, cost and terms of debt financing and other changes in CDLHT's business that adversely affect CDLHT's ability to source capital to fund operating requirements, capital expenditures, acquisitions and other general corporate purposes or to comply with debt financing covenants, or affect the relationship of CDLHT with its lenders;

- seasonality patterns in tourist arrival numbers throughout the year and frequency of events or conferences in the surrounding vicinity of the hotels;

- cyclical downturns arising from changes in general and local economic conditions, including declines in corporate budgets resulting in reductions in the amount of business travel and corporate executives requiring accommodation;

- the recurring need for renovation, refurbishment and improvement of the Properties including the time it may take to complete such works and the associated disruptions to the business during such works;

- legislative actions, such as the enactment of revisions to the laws relating to building standards, town planning, condemnation and redevelopment, which may affect or restrict rights related to relevant Properties;

- difficulties in identifying hospitality and hospitality-related as well as living assets to acquire and completing and integrating acquisitions;

- changes in the status and connectivity of key transportation nodes that affect the accessibility and travel patterns to the Properties;

- the reputation and standing of the Properties and/or future assets of CDLHT;

- adverse effects of a downturn in the hospitality and hospitality-related industry and living sector which affects occupancy and rental rates; and

- other matters beyond the control of CDLHT and/or the Managers, not yet known to the Managers or not currently considered material by the Managers.

These factors could lead to deterioration in the amount of the rental payments from the Master Lessees and/or the ability of the Management Companies and Self-Managed Properties to generate income from the relevant Properties. This would have adverse effects on the business, financial condition, valuation, results of operations and prospects of CDLHT.

Uncertainties and instability in the global markets and the economy, changes in regulatory, fiscal and other governmental policies and other factors beyond CDLHT's control generally may have and may continue to have an adverse effect on the business, financial condition and results of operations of CDLHT

The global credit and capital markets have experienced, and may continue to experience periods of volatility, reduced liquidity and declining investor confidence. These conditions have, in the past, resulted in the consolidation, failure or near failure of financial institutions and could lead to tighter lending conditions or reduced availability of financing for CDLHT. While there have been periods of stability in these markets, the environment has become more unpredictable. Recent and anticipated changes in United States trade policy have created ongoing uncertainties in international trade relations, and it is unclear what future actions governments may take with respect to tariffs or other international trade agreements and policies. Any trade war, including the ongoing changes to the tariffs imposed by the United States and the international responses, could lead to increased volatility in global financial markets, elevated inflationary pressures and supply chain disruptions. The impact of the tariffs on individual economies, as well as on business activity and travel demand, remains uncertain, and the overall global economic implications for hospitality and living assets continue to be unpredictable.

There are also other global or regional events which could create greater volatility in foreign exchange and financial markets in general due to the increased uncertainty. For example, the exit of the UK from the EU on 31 January 2020 resulted in an extended period of uncertainty in the UK, and the COVID-19 pandemic had a significant adverse impact on the global economy. Further, geopolitical tensions between the United States and China, as well as the Russia-Ukraine and Middle East conflicts, have also amplified macroeconomic uncertainties, impacted global supply chains and heightened market volatility. In addition, Chinese real estate developers have faced an unprecedented liquidity squeeze due to regulatory curbs on borrowing, leading to a string of offshore debt defaults, credit-rating downgrades and sell-offs in developers' shares and bonds.

Any severe and/or prolonged downturn in China's real estate sector would have a significant impact on the Chinese economy and, in turn, the global economy. Any of these events could, in turn, undermine the stability of global economies and increase uncertainty in the global economic outlook.

Such events, which are beyond CDLHT's control, could adversely affect CDLHT insofar as they result in:

- a negative impact on the ability of the Master Lessees and/or the tenants to pay their rents in a timely manner or continue their leases thus reducing CDLHT's cashflow or an adverse effect on the operational performance of the Properties managed by the Management Companies or Self-Managed Properties, thus affecting profitability and cashflow to CDLHT;

- an increase in counterparty risk;

- an increased likelihood that one or more of CDLHT's banking syndicate or insurers may be unable to honour their commitments to CDLHT;

- a drop in demand for leased space;

- downward revaluation of the Properties;

- an adverse effect on the cost of funding CDLHT's business, thus limiting its growth opportunities; and/or

- a reduction in access to the capital markets to raise new capital and/or re-financing.

There are concerns over rising inflation globally and there is still uncertainty as to whether the global economy will worsen, or whether recovery will be slow and take place over an extended period of time and the impact on Singapore's external trade-dependent economy. There can be no assurance that the uncertainties and instability in the global markets will not have a substantial adverse effect on CDLHT's assets or funding sources and, if sustained, will not adversely affect its business, valuation, financial condition, results of operations and/or prospects.

CDLHT operates in industries which may become intensely competitive, which may have a material adverse effect on its business

The hospitality and the living sectors in Singapore and the other countries in which CDLHT has assets are highly competitive. The on-going completion of new hotels, BTR properties and/or student accommodation or renovations of competing properties may reduce the competitiveness of CDLHT's properties. New room or unit supply is an important factor that can affect the industry performance, and overbuilding may amplify the adverse effects of an economic downturn or accelerate a cyclical downturn. An oversupply of rooms in the hospitality markets that CDLHT operates in could negatively impact occupancy rates, average daily rates and RevPAR, while an oversupply in the living sector could similarly pressure occupancy levels and achievable rental rates, resulting in lower overall revenues.

Each of the Properties experiences competition primarily from other similarly positioned properties in their immediate vicinity, and also with other properties in their geographical market. The level of competition in the hospitality industry and the living sector is affected by various factors, including changes in economic conditions, both locally, regionally and globally, changes in local, regional and global populations, government policies, the supply and demand for hotel rooms, rental housing or student accommodation and changes in travel patterns and preferences. Competing properties may offer more facilities at their premises at similar or more competitive prices compared to the facilities offered at the Properties. Competing properties may also

significantly lower their rates or offer greater convenience, services or amenities, to attract more guests or tenants. If these efforts are successful, the results of operations at the Properties may be adversely affected. There can also be no assurance that demographic, geographic or other changes will not adversely affect the convenience or demand for Properties.

Additionally, new competition from alternative lodging options being facilitated by modern technology, such as Airbnb, which allows for the efficient rental of condominiums or apartments suites, increases or has the potential to increase the rental inventory as compared to historic norms. This may adversely impact the occupancy rates of the properties in the portfolio of CDLHT and this will adversely affect the financial condition and results of operation of CDLHT.

In the context of the PBSA sector specifically, there may also be increased competition from overseas universities, particularly those situated outside the UK, where the overall cost of a degree may be lower. An outflow of students to universities or other higher educational institutions located outside the areas in the UK where CDLHT operates or to universities outside the UK may reduce the number of students seeking accommodation at CDLHT's living assets which may in turn affect the occupancy rate of CDLHT's student accommodation and adversely affect CDLHT's business and financial condition.

A general inability of the Properties to compete effectively could adversely affect the business, valuation, financial condition, results of operations and prospects of CDLHT.

Each of the hospitality business and the living sector is a regulated business and the operation of the Properties may require hotel or other business related licences. Any failure to obtain, renew or obtain the transfer of such licences may adversely affect the operations of CDLHT

The operation of hotels, rental housing and student accommodation properties is subject to various local laws, licensing requirements and regulations. There may be laws and regulations which require the H-REIT, HBT, the Master Lessees and the Management Companies in relation to these Properties to be licensed and to obtain other approvals to own, operate and lease such Properties as a hotel, rental housing or, as the case may be, student accommodation. The withdrawal, suspension or non-renewal of any of these licences, or the imposition of any penalties, as a result of any infringement or non-compliance with any requirement, will have an adverse impact on the business and results of operations of such Properties. Further, any changes in such laws and regulations may also have an impact on the businesses at the Properties and result in higher costs of compliance. In addition, any failure to comply with these amended laws and regulations could result in the imposition of fines or other penalties by the relevant authorities. This could have an adverse impact on the revenues and profits of the Properties or otherwise adversely affect their operations.

Each of the hospitality business and the living sector is capital intensive, and the growth of CDLHT may be affected if it is unable to obtain financing

The Properties owned by CDLHT will require periodic capital expenditure, refurbishments, renovation and improvements to remain competitive. Acquisitions or development of new assets will also require significant capital expenditure. CDLHT may not be able to fund capital improvements or acquisitions solely from cash provided from its operating activities and its growth may be affected. In addition, CDLHT may require additional financing to fund working capital requirements, to support the future growth of its business and/or to refinance existing debt obligations. There can be no assurance that additional financing, either on a short-term or a long-term basis, will be made available or, if available, that such financing will be obtained on terms favourable to CDLHT. Factors that could affect CDLHT's ability to procure financing include the cyclical nature of the hospitality industry and market disruption risks which could adversely affect the liquidity, interest rates and the availability of funding sources.

Property operation costs and expenses of the Properties may not decrease even if occupancy declines

The Properties are continuously operational and operational costs may not vary significantly with high or low occupancy rates over a week, month or season. Operating hotels and resorts typically involves a high proportion of fixed costs, such as payroll, utilities, cleaning and maintenance and contractual service charges, which may limit the ability of operators to reduce expenses during periods of lower occupancy or weaker demand. Although the operating cost structure for living assets, such as rental housing and PBSAs, is generally less operationally intensive than that of hotels, these assets are still subject to recurring expenses such as payroll, property management fees, cleaning and maintenance, repairs, utilities, insurance and compliance costs, many of which are also fixed in nature. Accordingly, the overall cost base of both hospitality and living assets may not decline proportionately with a decrease in occupancy or revenue, thereby exerting pressure on operating margins. This may in turn adversely affect the ability of the Master Lessees to meet their rental obligations to CDLHT, including the ability to maximise variable rent payments under performance-linked lease structures. Similarly, for Properties operated under management contracts or on a self-managed basis, lower operating margins may reduce distributable profits. These factors could adversely affect CDLHT's income, results of operations and overall financial performance.

Acts of God, wars, terrorist attacks, riots, civil commotions, natural calamities, widespread communicable diseases and other events beyond the control of CDLHT may adversely affect the financial performance of CDLHT

The hospitality industry and the living sector may be adversely affected by acts of God, wars, terrorist attacks, riots, civil commotions, natural calamities, widespread communicable diseases (such as H1N1 influenza, avian influenza, severe acute respiratory syndrome and COVID-19) and other events beyond the control of CDLHT. CDLHT cannot predict the extent to which these factors will continue to directly or indirectly impact the hospitality industry and/or the living sector or the operating results of CDLHT in the future.

Major cities globally, including those in Asia Pacific and Europe (such as Singapore, Australia, New Zealand, Japan, the Maldives, the United Kingdom, Germany and Italy), have faced domestic and international terrorist attacks in the past few years. Heightened concerns over terrorism risk may deter leisure and business travellers and prospective tertiary students from travelling to or studying in affected locations, which may adversely affect the financial performance of the relevant Properties in such cities.

Outbreaks of infectious diseases and other serious public health concerns, including epidemics and pandemics may be beyond CDLHT's control and may adversely affect the economies of the countries in which CDLHT has exposure. There can be no assurance that any precautionary measures taken against infectious diseases would be effective, and any resulting disruption to business operations or the imposition of restrictions on travel and/or quarantines may have a negative impact on the overall market sentiment, economies and business operations in the aforementioned markets, thereby adversely affecting the revenues, financial position and results of operations of CDLHT. For example, the COVID-19 pandemic severely impacted global economic activity from 2020 and exposed the risks of sudden stoppages of economies and supply chain disruptions worldwide. CDLHT's business was materially affected by the global outbreak of COVID-19 due to steps taken to mitigate the spread of COVID-19, such as travel restrictions and tighter border controls, quarantine requirements, lockdown measures and forced closures for certain types of public places and businesses. These mitigating steps affected the occupancy and operating performance of the Properties.

There is no assurance that the COVID-19 pandemic will not re-emerge or that other variants which may be more transmissible or may cause more severe effects will not emerge in the future, which could in turn cause a deterioration of CDLHT's business, financial condition, prospects and results of operations. There can be no assurance that any precautionary measures taken against infectious diseases would be effective.

Apart from outbreaks of infectious diseases, flooding and any other severe weather and natural disasters may cause substantial structural and physical damage to the Properties. Natural disasters that are beyond the Group's control may adversely affect the economy, infrastructure and livelihood of the people in those countries or regions. Some countries or regions where the Group operates face threats of floods, tsunamis, earthquakes, seismic and volcanic activities, storms, sandstorms, snowstorms, fires, droughts, bushfires, heatwaves, coastal flooding and haze. Flooding and any other severe weather and natural disasters may cause substantial structural and physical damage to the Group's properties. These natural disasters can result in substantial expenses related to, among others, repairing the damage caused, and such damage may not be fully covered by insurance, if any.

The occurrence of extreme weather or natural disasters, or an outbreak of infectious disease or serious public health concerns, or the measures taken by the governments of affected countries or regions, including Singapore, against such an outbreak, such as restrictions on travel and/or the imposition of quarantines, could severely disrupt CDLHT's business operations and undermine investor confidence, thereby materially and adversely affecting its business, financial condition or results of operations.

Climate change and rising sea levels may adversely affect the Properties and financial performance

Climate change may increase the frequency and severity of adverse weather events and result in long-term environmental changes, including rising sea levels, temperature extremes and coastal erosion. These factors may have a physical impact on certain properties within CDLHT's portfolio, particularly resort assets located in low-lying coastal areas such as the Maldives, which may face heightened risks of flooding, erosion or submersion over time.

Climate change can also affect urban city hotels and other assets in metropolitan areas. Heavy rainfall, flash flooding, heatwaves or other extreme weather conditions may damage building infrastructure or utilities, disrupt operations, and increase repair and insurance costs. Major cities where CDLHT owns properties have experienced instances of severe weather in recent years, underscoring that both coastal and inland assets may be exposed to climate-related risks.

Changes in weather patterns and environmental conditions could further influence tourist behaviour and travel demand, potentially reducing visitor arrivals to certain destinations or travel periods. In addition, higher costs of operating, maintaining or insuring properties exposed to climate-related risks may ultimately need to be passed on to guests, making such destinations or properties less competitive and dampening demand. Regulatory or policy responses to climate change – such as carbon-reduction requirements, building code enhancements or environmental levies – may also increase capital and operating expenditure for the Properties.

There can be no assurance that such climate-related risks will not materially and adversely affect the value, marketability or insurability of the Properties, or CDLHT's business, financial condition, results of operations and/or prospects.

CDLHT's financial performance may be affected by changes in travel patterns resulting from increases in transportation or fuel costs, reduced flight connectivity, strikes among workers in the transportation industry or adverse weather patterns

Changes in travel patterns can be erratic and this may adversely affect the revenue, gross operating profit and results of operations of the hospitality and hospitality-related as well as living assets in CDLHT's portfolio.

Increases in transportation or fuel costs, reduced flight connectivity, strikes among workers in the transportation industry or adverse weather patterns may deter travellers and the financial performance of CDLHT may be adversely affected as a consequence.

The hospitality industry is service-oriented and CDLHT may be adversely affected if the Hotels is unable to compete effectively for skilled hospitality employees

The hospitality industry is a service-oriented industry and is very labour-intensive. Competitors may compete aggressively for skilled hospitality employees, which would increase the operating cost of the hospitality assets. In addition, the hotel employees may be poached by existing or new competitors in the market, which may have an adverse effect on the operations of the affected property. A shortage of manpower may translate to lower service quality, which may in turn affect guests' lodging experience and lead existing customers to prefer alternative accommodation from competitors of CDLHT.

An increase in the use of third-party internet intermediaries to book online hotel reservations could materially adversely affect CDLHT's business, financial condition and results of operations

CDLHT's hotel rooms are likely to be booked through internet travel intermediaries, including, but not limited to Expedia.com, Hotels.com and Booking.com. As these internet bookings increase, these intermediaries may be able to obtain higher commissions, reduced room rates or other significant contract concessions. If the amount of sales made through Internet intermediaries increases significantly, room revenues may flatten or decrease and this may adversely affect the financial condition and results of operation of CDLHT.

There can be no assurance that the tourism promotion authorities in the countries in which CDLHT operates will succeed in increasing tourism receipts or that such success, if any, will improve the financial performance of CDLHT

The hotels target demand from both business travellers and leisure travellers. Therefore, the financial performance of the hotels may also be affected by the tourism industries of the respective countries in which CDLHT operates. In this regard, there can be no assurance that the initiatives taken by the tourism promotion authorities in the countries in which CDLHT operates to increase tourism receipts will be successful. Even if these initiatives are successful, it is not certain that an increase in tourism receipts would lead to a corresponding increase in the number of visitors or the length of their stay. Furthermore, an increase in the number of visitors or the length of their stay may not result in an increase in the revenues or gross operating profits of the hotels, or an increase in rental payments received by CDLHT.

RISKS RELATING TO THE LIVING ASSETS

The Group is a new entrant in the living sector

As at the date of this Information Memorandum, the Group owns two properties in the UK living sector: The Castings, a BTR asset, and Benson Yard, a PBSA asset. The Group is a new entrant to the UK living sector. As each class of accommodation asset has a unique business model and framework, operating conditions will generally vary. The Group's lack of relative scale and familiarity with such conditions may result in the Group incurring additional costs to deal with exigencies which it may not be able to foresee or inadvertent non-compliance with rules and regulations which are specific to this sector. With the limited experience of the Group, it may also be unable to anticipate market changes or identify opportunities in a timely manner. There can be no assurance that the Group's expansion into the living sector will achieve a sufficient level of revenue which will cover any increased operational costs and if the Group fails to manage such costs, its profitability and financial position may be adversely affected.

CDLHT's living assets are subject to changes in laws and regulations governing the accommodation sector, building safety and tenancy regimes in the jurisdictions in which they are located

Although CDLHT has living assets in UK, it may expand its operations to other countries in the future and is therefore exposed to changes in the legal and regulatory regimes in the countries where such living assets are located. These may include regulations governing property investment and ownership, land use and zoning, building and fire safety standards, town planning, taxation, government charges, environmental compliance and landlord-tenant relations. The interpretation and application of these laws and regulations may also be unclear and may vary across jurisdictions.

Recent developments in the UK, such as enhanced building-safety requirements and proposed reforms to residential tenancy laws, illustrate the evolving regulatory landscape in which CDLHT's living assets operate.

For instance, the regulatory regime under the UK Building Safety Act 2022 ("**UK BSA**") applies to CDLHT's living assets where such accommodation is within a higher risk building ("**HRB**"), being buildings that have at least seven storeys or are at least 18 metres high and contain two residential units or more. The UK BSA imposes duties on all owners and developers of HRBs in relation to the design, construction and operation of HRBs and requires HRBs to be registered on a central public register regulated by the Building Safety Regulator. While CDLHT's living assets are currently compliant with the UK BSA, there can be no assurance that future amendments to the UK BSA, including new laws, regulations, or standards, will not necessitate potentially costly remediation works to maintain compliance.

Separately, the UK government is also pursuing reforms to its private rental sector that may affect CDLHT's living assets. For instance, most long-term accommodation (>3 months) lettings in England and Wales are fixed-term shorthold tenancies which provide for a fixed period of occupation. As at the Latest Practicable Date, the Renters' Rights Bill is passing through Parliament and is expected to come into law in late 2025. As this is a draft legislation, the final position and its impact on CDLHT's BTR asset is currently unknown but the Bill seeks to make substantial changes to residential tenancy law in England and Wales, including banning fixed term assured tenancies, limiting eviction grounds and reducing the cap on upfront rental payments. The Bill seeks to replace existing fixed term tenancies with rolling periodic tenancies with tenants being able to end their tenancies by giving two months' notice. While it is currently unclear whether the Bill will affect student accommodation leases, there is a risk that the Bill might disrupt the established academic rental cycle, increasing the risk that students may seek to end their occupation earlier during the academic term which would make it hard to fill such void units until the next academic year. The proposed changes from the Renters' Rights Bill, if enacted to give tenants more flexibility in the tenancy agreement, may reduce the stability of income from CDLHT's living assets.

CDLHT can provide no assurance that any changes to laws and regulations affecting its living assets will not occur nor any assurance that such changes (or the interpretation or application thereof) will not have a material adverse effect on its business, profitability, results of operations and financial condition. Compliance with, as well as failure to comply with, such laws and regulations can have adverse consequences on CDLHT and the relevant Properties (see also the risk headed "*CDLHT is subject to the real estate laws, regulations and policies in the jurisdictions in which the Properties are located*").

Student accommodation assets are exposed to changes in immigration, visa and higher education policies

The student accommodation industry is dependent on the presence of a certain population of students from around the world who wish to study in any particular country, for instance the UK where CDLHT currently has assets. Government policies such as those relating to a curb in immigration, any caps on international student enrolments, difficulty in obtaining student loans, restrictions on the availability of student visas as well as any increase in the maximum level of academic or tuition fees which universities can charge their students will reduce the size of the student population and directly impact the demand from students for CDLHT's student accommodation assets.

The reduction in international students applying for visas, as well as any future increase in university tuition fees for international students, may result in a reduced international student population, which could result in lower demand for the Group's student accommodation assets.

In November 2024, the UK government announced an increase in the maximum level of tuition fees which universities can charge domestic students in England for the first time in seven years. The maximum cap will rise in line with inflation to cope with rising operational costs and took effect from 2025. While the tuition fees for international students are currently unaffected, there is no assurance that the UK government will not introduce measures that will increase the overall cost for international students.

There is no assurance that the current government policy will shift in the direction of attracting more international students to the UK, and even if such policy is introduced, there is no certainty that such policy will continue, and the UK government may return to policies which curb or discourage international student interest. As such, the business, financial condition or performance of CDLHT may be materially and adversely affected.

Failure to retain existing tenants or attract new tenants may have an adverse impact on CDLHT

CDLHT derives revenue from rental income from its living assets.

CDLHT's PBSA is typically leased ahead of the start of the academic year, which normally begins in September of each year in the UK. CDLHT is therefore reliant on the effectiveness of its marketing and leasing efforts prior to the start of the academic year. The lease agreements for CDLHT's PBSA are generally for the whole of an academic year ranging from 44 to 51 weeks in the UK. As such, the weighted average lease expiry of the student accommodation is generally less than a year and existing tenants are offered the priority to rebook or lease the units for the next academic year. Units not rebooked by the existing tenants will be put up for lease to attract new tenants before the commencement of the next academic year. There is no assurance that existing tenants will renew their leases or that CDLHT is able to attract new students when the existing tenants do not wish to renew on lease expiry. In addition, there can be no assurance that there is no cancellation of leases from tenants, especially closer to the commencement of the academic year.

The Group's BTR property is dependent on the sustained market demand for such type of accommodation. Any changes in the broader housing and rental markets, including, but not limited to fluctuations in tenant preferences and competition from other rental options could affect the occupancy rates of the BTR property due to the outflow of tenants.

In addition, affordability pressures may affect the ability or willingness of tenants to continue renting or to renew their leases, particularly if rental rates increase over time or if broader inflationary pressures and rising living costs constrain household budgets. As rental affordability declines, prospective tenants may choose smaller units, relocate to lower-cost submarkets or withdraw from BTR or PBSA offerings entirely, which could reduce demand for CDLHT's BTR or PBSA assets.

Whether CDLHT can retain existing tenants and attract new tenants depends on a number of factors including but are not limited to the following:

(i) availability of alternative accommodation at better rental rates;

(ii) performance of competing properties which may be more attractive to tenants as compared to the Properties;

(iii) any governmental or other policy changes which reduces the number of full-time students;

(iv) CDLHT's ability to maintain the existing accommodation to the satisfaction of its existing tenants and/or new tenants; and/or

(v) economic or other local domestic reasons, such as high inflation rates, high cost of living, and fewer employment opportunities which may reduce affordability and result in tenants being priced out of CDLHT's properties or similar accommodation.

Some of the factors above, to a large extent, are beyond CDLHT's control. If existing tenants decide not to renew their lease agreements for any reason, and CDLHT is unable to attract new tenants, its business and results of operations may be materially and adversely affected.

Potential inability to raise rental prices and collection of rental payments from CDLHT's living assets may have an adverse impact on CDLHT

There may be difficulties faced in raising rental prices due to general macroeconomic conditions. There is also a risk that the rate of increase in rental prices (if any) may be less than the inflation rate, which may not provide for an effective hedge against inflation.

Further, CDLHT may encounter issues with collection of rental payments on time as a result of the residents being unable to pay or pay on time, which is beyond CDLHT's control.

Further, CDLHT's operations depend on its ability to collect rental fees in a timely manner. There is a possibility that the tenants may fail to make payment for their accommodation on a timely basis or even at all, which is beyond CDLHT's control. In such situations, it may also not be possible for CDLHT to make its accommodation available to other tenants within a short period from the default due to the possibly lengthy eviction process. CDLHT's inability to recover payments and vacate its accommodation for use by other tenants may have a material adverse effect on CDLHT's business, financial condition and results of operations.

Living assets are operationally intensive and may incur high maintenance costs

Student accommodation assets are operationally intensive due to the yearly academic cycle and the high number of individual lettings where large cohorts of students move in and out of the property at the beginning and end of each academic year. To sustain and enhance income and

minimise vacancy rates, such properties require active marketing to the student population, regular social and community engagement initiatives, and close collaboration with nearby universities or higher education institutions. Given the volume and frequency of resident turnover, student accommodation assets also experience higher wear and tear compared to traditional residential properties, leading to elevated maintenance and refurbishment costs and shorter refurbishment cycles. Efficient turnaround of rooms between academic years is critical to achieving high occupancy and maintaining operational efficiency. Asset enhancement or refurbishment works typically need to be undertaken during the limited period between academic terms, and any delay or mismanagement could adversely affect occupancy levels and revenue generation.

Rental housing assets such as BTR properties also present operational challenges due to the staggered nature of lease expiries throughout the year. As rental housing leases are typically renewed or re-let with varying lease end dates, it is difficult to achieve full vacancy at any single time for large-scale asset enhancement or refurbishment works. Consequently, such works may need to be phased while residents remain in occupation, which may increase project duration and cost, and cause temporary disruptions to residents that could affect tenant satisfaction, renewal rates and rental performance.

In the UK, proposed legislative changes such as the Renters' Rights Bill – which seeks to replace fixed-term assured tenancies with rolling periodic tenancies and to provide tenants with greater flexibility to terminate leases on giving two months' notice – could exacerbate these operational and income-stability risks. If enacted, tenants in BTR properties (and potentially students in PBSA assets, should the legislation apply to them) may be able to shorten their occupancy periods or vacate mid-term, making it more difficult to manage tenant turnover, forecast cash flows, and plan maintenance or enhancement works efficiently. This could result in higher vacancy risks, reduced rent collection stability and increased operational complexity for CDLHT's living assets.

Due to the operationally-intensive nature of such Properties, there can be no assurance that decisions taken by any appointed third-party service provider or agent will not adversely affect the values and/or cash flows of such Properties. Should CDLHT or its appointed management companies fail to adequately manage or maintain these living assets, their condition, attractiveness and value may deteriorate, potentially resulting in higher vacancy, reduced rental income and adverse effects on CDLHT's financial position, results of operations, cash flows and prospects.

CDLHT may be impacted by actions taken by or in respect of universities

If a university or higher education facility located in the areas which CDLHT operates in decides to reduce its intake of students for any or all academic years for any reason or change the courses offered to its students, the student population in the areas where CDLHT operates in may be reduced. This may result in a reduced demand for student accommodation and hence affect the occupancy rate of CDLHT's assets.

In addition, any relocation or closure of an educational institution which was in close proximity to CDLHT's living assets or change in the reputation or ranking of such educational institutions which are affiliated to certain universities in the cities in which such living assets are located may also affect the demand and performance of such living assets. CDLHT's business and financial performance may be adversely affected as a result.

CDLHT's business may be affected by changes in regulations relating to the accommodation business

There may be new restrictions on foreign investment imposed from time to time which may impact CDLHT's ability to secure the requisite permissions to operate the accommodation business, including its BTR property and purpose-built student accommodation. This would have an adverse impact on CDLHT's business and financial performance.

Accommodation properties are not readily convertible for other uses

Accommodation properties may not be readily convertible for alternative uses, in the event any of the Properties which are accommodation assets were to become unprofitable due to competition, need for improvements, decreased demand and/or other factors. Any conversion of accommodation properties for alternative uses would also generally require substantial additional capital expenditures and zoning or planning approvals.

RISKS RELATING TO THE RETAIL PROPERTIES

The loss of key tenants or a downturn in the businesses of the tenants in the Retail Properties could have an adverse effect on the financial performance of CDLHT

CDLHT's financial condition and operating results may be adversely affected by the bankruptcy, insolvency or downturn in the businesses of key tenants in its Retail Properties, including the decision by any such tenants not to renew their leases. If a key tenant terminates its lease or does not renew its lease at expiry, it may be difficult to secure replacement tenants at short notice or on similar tenancy terms. In addition, the amount of rent and the terms on which lease renewals and new leases are agreed may be less favourable than current leases.

In particular, Claymore Connect may be dependent upon its key tenants for a significant portion of its income. If these leases are terminated for any reason, or the tenants do not renew their leases at expiry or reduce their leased space or renew their leases at lower rentals, the income of Claymore Connect may be adversely affected. Substitute tenants on satisfactory terms may not be found in time or at all.

Further, certain key tenants in Claymore Connect may help generate shopper traffic. The loss of one or more of these key tenants may reduce shopper traffic, thereby reducing the attractiveness of Claymore Connect to potential tenants and affecting the ability of Claymore Connect to retain existing tenants. This may adversely impact CDLHT's operating results.

CDLHT is subject to the risk of non-renewal, non-replacement or early termination of leases

The renewal of leases in the Retail Properties will depend, in part, upon the success of the tenants. Any decline in the overall retail sector may cause higher levels of non-renewals of leases or vacancies as a result of failures or defaults by tenants or the market pressures exerted by an increase in available retail spaces. There can be no assurance that the tenants of the Retail Properties will renew their leases or that the new lease terms will be as favourable as the existing leases. In the event that a tenant does not renew its lease, a replacement tenant or tenants would need to be identified. If a large number of tenants in the Retail Properties do not renew their leases at the end of a lease cycle or a significant number of early terminations occur, and replacement tenants cannot be found, this could subject the Retail Properties to periods of vacancy and/or costly re-fittings, during which periods CDLHT could experience reductions in rental income. Such downturns may have an adverse impact on the results of operations and the financial condition of CDLHT.

The Retail Properties faces competition from other retail properties

The retail property markets are competitive and have become increasingly so. The income from, and the market value of, the Retail Properties will be largely dependent on the ability of these Properties to compete against other similar or comparable properties in attracting and retaining tenants. For tenants operating in the food and beverage business, competition for staff is intense and this may lead to high labour costs which may in turn cause such business to be unprofitable and possibly default on their leases.

In relation to Claymore Connect, competition for shopper traffic amongst shopping malls in the Orchard Road area is intense. Aside from competition faced in the immediate area, Claymore Connect faces stiff competition from other shopping malls in the Orchard Road area. Shopper traffic may be attracted to other popular shopping malls such as Ion Orchard, Mandarin Gallery, Ngee Ann City, Wisma Atria and The Paragon, which are all located close to one another. This could lure shopper traffic away from the vicinity of Claymore Connect, leading to a drop in demand for retail space at Claymore Connect. If the redevelopment of Forum Shopping Centre, voco Orchard Singapore and HPL House proceeds, any retail offering could overlap with the catchment and tenant base of Claymore Connect and thereby increase competition given their close proximity.

Furthermore, the increase in popularity of e-commerce may cause a decline in profits for brick-and-mortar businesses, which could lead to a decrease in demand for retail spaces. This may have an adverse effect on the demand and the rental rates for the Retail Properties and adversely affect CDLHT's business, financial condition, results of operations and prospects.

A substantial number of the leases of the Retail Properties are for terms of three years, which exposes the Retail Properties to significant rates of lease expiries each year

A majority of the leases in the Retail Properties are for periods of three years. As such, CDLHT experiences lease cycles in which a significant number of tenancies expire each year. This frequency of renewals makes CDLHT susceptible to rental market fluctuations and exposes CDLHT to risks of less favourable terms of renewal, which will in turn reduce CDLHT's revenue.

RISKS RELATING TO CDLHT's BUSINESS AND OPERATIONS

CDLHT's portfolio remains heavily concentrated in hospitality and hospitality-related assets

H-REIT's principal investment strategy is to invest, directly or indirectly, in a diversified portfolio of income-producing real estate which is primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes (including, without limitation, hotels, serviced apartments, resorts, motels, other lodging facilities and properties used for rental housing, co-living, student accommodation and senior housing) globally, whether wholly or partially, and in real estate-related assets in connection therewith.

HBT's principal investment strategy is to invest in a diversified portfolio of real estate or development projects which are or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes (including, without limitation, hotels, serviced apartments, resorts, motels, other lodging facilities and properties used for rental housing, co-living, student accommodation and senior housing) globally, and may also include the operation and management of the real estate assets held by H-REIT and HBT.

Although CDLHT has expanded its investment mandate to include living assets, its portfolio as at the Latest Practicable Date remains heavily concentrated in hospitality and hospitality-related assets. As a result, CDLHT financial performance continues to be largely dependent on the

outlook and cyclicality of the hospitality sector. The heavy concentration in hospitality and hospitality-related assets may also subject CDLHT to a higher level of risk as compared to other types of REITs or trusts which have a more diverse range of investments and a broader investment strategy.

A downturn in the hospitality industry in Singapore and in CDLHT's other key markets could materially and adversely affect occupancy levels, average room rates and revenue per available room of its hotel and resort properties. Such a downturn may also result in declines in the capital values of these assets. Despite the diversification benefits from its entry into the living sector, CDLHT remains significantly exposed to hospitality concentration risk, which may adversely affect its results of operations and financial condition.

The loss of a Master Lessee, or a downturn in the business of a Master Lessee could have an adverse effect on the financial condition and results of operations of H-REIT

Some of the hotels owned by the H-REIT Group are entirely let to Master Lessees. H-REIT is dependent on rental payments from the Master Lessees as H-REIT cannot directly operate the hotels under the Property Funds Appendix. The Master Lessees will either contract with third party hotel managers to manage H-REIT's hospitality and hospitality-related assets or manage H-REIT's hospitality and hospitality-related assets itself. H-REIT's revenue will depend substantially upon the ability of the Master Lessees to make rental payments.

However, H-REIT's financial condition and results of operations will depend substantially upon the ability of each Master Lessee to make timely lease payments under the Master Lease Agreements. As such, the financial condition and results of operations of H-REIT may be adversely affected by the bankruptcy, insolvency or downturn in the business of a Master Lessee which may weaken their financial position, the local economies in which they have business operations and the performance of their other businesses (if any).

The ability of any of the Master Lessees to pay rent may be affected by factors beyond their control, such as changes in general economic conditions, the level of demand for such hotels, the performance of the hotel manager, competition in the hospitality industry, and other factors relating to the operations of the hotels.

Failure by a Master Lessee to maintain the relevant Properties in a good state of tenantable repair and condition could have an adverse impact on the physical condition of the relevant property, rendering it unattractive to existing and potential guests. Such failure could also result in customers choosing alternative lodging properties. Lack of capital or insufficient cash flow caused by lower occupancy may adversely impact future operations and profitability of the Properties under a Master Lease, thereby affecting the ability of the Master Lessee to fund repairs, maintain furniture, fixtures and equipment and/or make rental payments to H-REIT. There can be no assurance that the Properties under Master Leases will continue to be operated, managed, maintained, branded or marketed well in the future or that each Master Lessee will have sufficient assets, income and access to financing to enable it to satisfy its obligations under the respective Master Lease Agreements.

If a Master Lessee terminates or defaults on its Master Lease Agreement or does not renew its Master Lease Agreement on expiry, the financial performance of H-REIT may be adversely affected. In addition, the amount of rental and the terms on which each Master Lease Agreement is renewed and each new master lease agreement is agreed may be less favourable than the current Master Lease Agreements. The replacement of a Master Lessee on satisfactory terms may not be carried out in a timely manner or at all.

CDLHT has no direct control over the Master Lessees' and Management Companies' conduct of the day-to-day operations of the Properties

CDLHT does not have direct control over the daily operations of the Properties, which are managed by Master Lessees, their appointed hotel managers, or Management Companies under Management Contracts. The conduct of operations which includes branding, marketing, and staffing, is at the discretion of these parties. CDLHT is dependent on them to manage the Properties' day-to-day activities effectively.

There is therefore no assurance that such Properties will be operated, managed, maintained, staffed, branded or marketed well in the future and this may consequently affect the business, financial condition, results of operations and prospects of CDLHT. In addition, any degradation or adverse market developments relating to the brand name of the Management Companies, Master Lessees and their hotel managers or any negative publicity affecting such brands could adversely affect the results of operations of such Properties.

The Master Lessees and Management Companies may not maintain or manage the Properties properly

The Master Lessees and/or the Management Companies may not maintain or manage the relevant Properties properly or in accordance with regulatory requirements and run down such Properties, resulting in substantial deferred capital expenditure or breach of local regulations and rules such as environmental and planning laws. Lack of capital or insufficient cash flow may adversely impact future operations and profitability of such Properties, thereby adversely affecting the ability of the Master Lessees or, as the case may be, the Management Companies to fund costs of repairs, maintenance, renewals of furniture, fixtures and equipment, operating equipment, inventories, and/or to make rental payments to CDLHT. Any breaches of regulatory requirements could result in punitive damages, penalties, fines and costs, which if not paid or reimbursed by the relevant Master Lessee or Management Company, could have a material and adverse effect on the CDLHT's financial condition and results of operations.

The failure of the Management Companies to generate income could have an adverse effect on the business, financial condition, results of operations and prospects of CDLHT

Unlike the Properties under Master Leases through which CDLHT derives rental income, the Properties which are managed by the Management Companies generate revenue for CDLHT.

The ability of the Management Companies to generate income depends on their expertise and may also be affected by factors beyond their control, such as changes in general economic conditions, laws and governmental regulations, the level of demand for such Properties, competition in the hospitality industry or living sector or latent defects in such Properties which affect the ability of the Management Companies to properly manage and operate such Properties. If the Management Companies are unable to manage such Properties profitably for CDLHT and fail to generate income, this may adversely affect the business, financial condition, results of operations and prospects of CDLHT.

In respect of the Management Contracts that provide for minimum guaranteed income, any failure by the relevant Management Company to pay CDLHT such minimum guaranteed income in accordance with the terms of the relevant Management Contract or termination of a Management Contract that provides for a minimum guaranteed income (whether due to force majeure or otherwise), may have an adverse effect on the financial condition of CDLHT and its level of distributable income.

As the Management Contracts are non-exclusive arrangements, there is no assurance that the Management Companies may not engage in other business ventures, including the acquisition, development or operation of hotels, lodging, residential and vacation ownership properties or other forms of accommodation assets, which are or may become competitors of the Properties. In the event that the Properties face competition from their own Management Companies, this may have an adverse effect on the business and prospects of CDLHT.

Future acquisitions may not yield the returns expected, may result in disruptions to CDLHT's business, may strain management resources and may result in dilution of holdings

CDLHT's external growth strategy and its market selection process may ultimately not be successful. Successful growth through acquisitions is dependent upon CDLHT's ability to identify suitable acquisition targets, conduct appropriate due diligence, negotiate transactions on favourable terms and purchase prices and ultimately complete such transactions and integrate the acquired target successfully. Such acquisitions may expose CDLHT to significant risks and uncertainties, including but not limited to:

- competition for acquisition targets, which may lead to substantial increases in purchase prices or terms that are not attractive to CDLHT;
- dependence on external sources of capital, in particular to finance the purchase prices of acquisitions;
- proposed acquisitions which may be prohibited by certain antitrust or other regulatory laws or may require divestitures;
- difficulties in identifying assets to acquire and difficulties in completing and integrating acquisitions (including any unexpected delays or expenses in the integration process);
- disruptions to CDLHT's business and diversion of the attention of the Managers from existing operations to the acquisition process and integration of acquired assets;
- a failure to accurately predict or to realise expected cost savings and synergies;
- changes in laws or regulations, and/or difficulties in obtaining the requisite licences, permits, authorisations or approvals from regulatory authorities, resulting in increases in acquisition or development costs or delays in project construction;
- incurrence of unintended or unanticipated capital expenditures in connection with acquisitions or the vendors of its acquired properties may breach their obligations to CDLHT;
- difficulties in retaining key customers and personnel; and
- other matters not yet known to CDLHT and/or the Managers, not currently considered material by CDLHT and/or the Managers, or not otherwise disclosed in this Information Memorandum.

The Managers' assessments of and assumptions regarding acquisition targets may not prove to be correct, or actual developments may differ significantly from expectations. Acquired targets and properties may have unexpected or unidentified liabilities or regulatory problems, and acquisitions may be made at a premium over the fair value of the net identifiable assets of the acquired company. The occurrence of any of the above in connection with any acquisition could have a material adverse effect on CDLHT's business, financial condition, results of operations or prospects.

The Managers may not be able to implement its investment strategy

There can be no assurance that the Managers will be able to implement the investment strategy successfully or that they will be able to expand CDLHT's portfolio at all, or at any specified rate or to any specified size. The Managers may not be able to make acquisitions or investments on favourable terms or within a desired time frame. CDLHT will be relying on external sources of funding to expand its asset portfolio, which may not be available on favourable terms, or at all. Even if CDLHT were able to successfully make additional property acquisitions or investments, there can be no assurance that CDLHT will achieve its intended return on such acquisitions or investments. In addition, since the amount of borrowings that H-REIT can incur to finance acquisitions is limited by the Property Funds Appendix, such acquisitions may be dependent on H-REIT's ability to raise equity capital. Potential vendors may view the prolonged time frame and lack of certainty generally associated with the raising of equity capital to fund any such purchase negatively and may prefer other potential purchasers. Furthermore, there may be significant competition for attractive investment opportunities from other real estate investors. There can be no assurance that CDLHT will be able to compete effectively against such entities.

CDLHT's policies with respect to certain activities including investments and acquisitions will be determined by the Managers. While the Managers have stated their principal investment strategy with respect to CDLHT, the H-REIT Trust Deed and the HBT Trust Deed give the Managers wide powers of investing in other types of assets. There are risks and uncertainties with respect to the selection of investments and with respect to the investments themselves.

If the Managers are unable to implement their investment strategy successfully, CDLHT's business, financial condition, prospects and results of operations may be adversely affected.

Development and acquisition of Moxy Singapore Clarke Quay may not materialise as planned and funding may not be available

CDLHT has entered into a turnkey, forward purchase arrangement for a lifestyle hotel, Moxy Singapore Clarke Quay, with a subsidiary of CDL under a conditional development and sale agreement entered into in November 2019, with the development currently expected to achieve TOP around end-2026 (subject to change).

There can be no assurance that the development and acquisition of Moxy Singapore Clarke Quay will materialise as planned or within the expected timeline. The issuance of TOP is subject to regulatory approvals, construction progress and other factors beyond CDLHT's control, and any delay in achieving TOP could postpone or affect the completion of the acquisition.

In addition, there is no certainty that CDLHT will be able to obtain the necessary funding to complete the acquisition. CDLHT may not be able to raise project-specific financing for this acquisition, and funding may be sourced through a combination of equity, debt and/or internal resources. The MAS currently imposes a gearing limit of 50% on real estate investment trusts. Accordingly, H-REIT may not be able to fund the entire acquisition through borrowings and may need to raise additional equity or utilise internal cash resources. There can be no assurance that CDLHT will be able to successfully raise such financing on acceptable terms or within the required timeframe.

Even if the acquisition proceeds as planned, there can be no assurance that the addition of Moxy Singapore Clarke Quay will improve CDLHT's operating results or financial performance. As a newly completed hotel, there will likely be an initial gestation and ramp-up period following opening, during which the property is expected to operate below optimal occupancy and may incur operating losses until it achieves breakeven levels. Thereafter, further time may be required for the property to reach stabilised performance and generate sustained profitability.

The amount H-REIT may borrow is subject to the aggregate leverage limit set out in the Property Funds Appendix, which may affect the operations of H-REIT

The amount that H-REIT, as part of CDLHT, may borrow is subject to the aggregate leverage limit set out in the Property Funds Appendix, which may in turn affect the operations and financial flexibility of CDLHT.

Under the Property Funds Appendix, with effect from 28 November 2024, H-REIT is permitted to borrow up to 50.0% of the value of the H-REIT Deposited Property at the time the borrowing is incurred, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or in Stapled Securities). The total borrowings and deferred payments (collectively, "**aggregate leverage**") of H-REIT should not exceed 50% of the value of the Deposited Property and H-REIT should have a minimum interest coverage ratio[1] of 1.5 times.

As at 30 September 2025, CDLHT's outstanding borrowings was S$1.4 billion, with an aggregate leverage of 42.4%, and H-REIT's interest coverage ratio as at 30 September 2025 was 2.1 times.

A decline in the value of the H-REIT Deposited Property may also cause the aggregate leverage limit to be exceeded, thus affecting H-REIT's ability to make further borrowings.

Adverse business consequences of this limitation on borrowings may include:

- an inability to fund capital expenditure requirements in relation to H-REIT's existing asset portfolio or in relation to H-REIT's future acquisitions of additional hospitality, hospitality-related or accommodation/lodging assets (including living assets) to support portfolio growth and enhancement;

- cash flow shortages (including with respect to distributions) which H-REIT might otherwise be able to resolve by borrowing funds.

CDLHT faces risks associated with debt financing and limited availability of funds

CDLHT is subject to risks associated with debt financing, including the risk that its cash flow will be insufficient to meet required payments of principal and interest under such financing. As of 30 September 2025, CDLHT has S$1.4 billion of total indebtedness.

CDLHT will distribute at least 90.0% of its taxable income and tax-exempt income (if any). As a result of this distribution policy, the Group may not be able to meet all of its obligations to repay principal on its debt obligations through its cash flow from operations. As such, the Group may be required to repay maturing debt with funds from additional debt or equity financing or both. There can be no assurance that financing, either on a short-term or long-term basis, will be made available, or if available, that such financing will be obtained on terms favourable to the Group. Factors that could affect the Group's ability to procure financing include the cyclical nature of the property market and market disruption risks which could adversely affect the liquidity, interest rates and the availability of funding sources. The post-pandemic interest rate hikes may still have an adverse impact on the availability and cost of funding and hence may also hinder CDLHT's ability to obtain additional financing or re-financing for its existing debt.

CDLHT may also become a party to future indebtedness which is secured by a lien or other encumbrance on certain of the Properties. In the event of a default on the Securities or under any other indebtedness or upon CDLHT's bankruptcy, liquidation or reorganisation, any secured

[1] "**interest coverage ratio**" means a ratio that is calculated by dividing the trailing 12 months' earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months' interest expense, borrowing-related fees and distributions on hybrid securities.

indebtedness of third party creditors to CDLHT's portfolio would effectively be senior to the Securities to the extent of the value of CDLHT's portfolio securing their indebtedness. The Securityholders would only have an unsecured claim against those assets to the extent any remain after satisfying the obligations under such secured indebtedness and any unsecured indebtedness which ranks senior to the Securities.

In addition, H-REIT and/or HBT may be subject to certain covenants in connection with any future borrowings that may limit or otherwise adversely affect its operations. Such covenants may also restrict its ability to acquire hospitality and hospitality-related or living assets or undertake other capital expenditure or may require it to set aside funds for maintenance or repayment of security deposits. Furthermore, if prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make loans in relation to hospitality properties or accommodation assets) result in higher interest rates upon refinancing, the interest expense relating to such refinanced indebtedness would increase, which would adversely affect CDLHT's cash flow.

H-REIT and/or HBT may from time to time obtain debt financing in a foreign currency to match the currency of its foreign assets/properties, which allows the income generated by those assets to be used directly for debt servicing, H-REIT and/or HBT may also obtain debt financing in a currency different from that of the underlying foreign assets/properties, which give rise to foreign exchange risk, as currency fluctuations could increase debt servicing costs. There is no assurance that such foreign assets/properties will generate sufficient cash in the local foreign currency to meet all of its debt obligations. Under such circumstances, H-REIT and/or HBT may have to deploy cash from other sources denominated in other currencies (or utilise debt facilities in other currencies) to meet their foreign currency debt financing needs, exposing H-REIT and/or HBT to foreign exchange risk.

Fluctuation in exchange rates and changes in foreign exchange regulations may adversely affect CDLHT's financial results

CDLHT's reporting currency for the purposes of its financial statements is in Singapore dollars. Apart from its portfolio of assets in Singapore, the Group also generates revenues and incurs operating costs in non-Singapore dollar denominated currencies from its assets outside Singapore. Any revenue and expenses in non-Singapore dollars will have to be converted to Singapore dollars for financial reporting purposes. Accordingly, CDLHT is exposed to fluctuations in foreign currency exchange rates, and such fluctuations may be caused by changes in local economy as well as international, political and economic conditions. This in turn could adversely affect its financial condition and results of operations, and have a material adverse effect on CDLHT's reported financial results. A weakening of foreign currencies against the Singapore dollar may also result in a decrease in asset values upon translation and a corresponding increase in gearing. While CDLHT may enter into hedging transactions, where feasible and appropriate to partially mitigate and manage the currency risks associated with the cashflows generated by the Group's investment in overseas properties, there can be no assurance as to the extent or efficacy of any such hedging arrangements. As a result, CDLHT's operations and/or financial condition could potentially be adversely affected by foreign currency exchange rate fluctuations.

CDLHT may be exposed to interest rate fluctuations

As at 30 September 2025, CDLHT's Hospitality Trusts' outstanding borrowings was S$1.4 billion, of which approximately 48% of the total borrowings were effectively on fixed interest rates to hedge against rising interest rates, and the remaining approximately 52% of the total borrowings was on a floating rate basis. There is no certainty that the Group will be able to hedge its debts on a floating rate basis into a fixed rate basis on commercially acceptable terms or if at all, or that the CDLHT's hedging policies will adequately cover its exposure to adverse movements in interest rates. There is also no certainty that CDLHT will not be affected by adverse movements in interest

rates. Consequently, the interest cost to the Group for the floating interest rate debt will be subject to the risks of interest rate fluctuations. As a result, CDLHT's operations and/or financial condition could potentially be adversely affected by interest rate fluctuations.

CDLHT may engage in hedging transactions, which can limit gains and increase exposure to losses

CDLHT may undertake hedging transactions to mitigate exposure to fluctuations in interest rates, foreign exchange rates and prepayment risks. While such hedging activities are intended to reduce volatility in cash flows and net asset values, they may not achieve the desired results, as no hedging strategy can fully eliminate the risks associated with interest and foreign exchange rate movements. In certain circumstances, interest rate or foreign exchange hedging could fail to protect CDLHT or could adversely affect its performance for reasons including, inter alia:

- available interest rate or foreign currency hedging instruments may not correspond directly with the interest rate or foreign currency risk for which protection is sought;
- the duration of the hedge may not match the duration of the related liability;
- the counterparty to the hedging transaction may default on its obligation to pay;
- the credit quality of the counterparty may deteriorate to such an extent that it impairs CDLHT's ability to sell or assign its position in the hedging transaction; and
- the value of the derivative instruments used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value, which could reduce CDLHT's net asset value in the event of downward adjustments.

Hedging involves risks and typically entails costs, including transaction costs, which may reduce overall returns. These costs tend to increase with longer hedge durations and during periods of rising and volatile interest rates.

The Managers may not be successful in managing the liquidity risk of CDLHT

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Managers will endeavour to monitor and maintain sufficient cash and credit facilities on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations. In addition, the H-REIT Manager will monitor and observe the limitations imposed by the Property Funds Appendix on H-REIT's aggregate leverage and interest coverage ratio.

However, there is no assurance that the management of CDLHT's liquidity risk by the Managers will not result in any breaches of any financial obligations as a result of insufficient cash or other financial assets. In the event that the Group is unable to meet liquidity requirements and is in breach of its financial obligations, the business, financial condition, results of operations and prospects of CDLHT may be adversely affected.

Each of the Sponsor and CDL is a controlling holder of Stapled Securities, and is able to exercise influence over certain activities of CDLHT

The Sponsor, its subsidiaries and associates, together with its holding company, CDL, are engaged in, among other things, hotel management and operation as well as investing in real estate which is primarily used for hospitality and/or hospitality-related purposes, whether wholly or partially. As of the Latest Practicable Date, CDL holds 372,043,817 Stapled Securities directly

and indirectly (constituting approximately 29.277% of the total number of Stapled Securities in issue as of the Latest Practicable Date).

The Sponsor and/or CDL may exercise influence over the activities of CDLHT through the H-REIT Manager and the HBT Trustee-Manager. As a result, the strategy and activities of CDLHT may be influenced by the overall interests of the Sponsor and/or CDL.

There may be potential conflicts of interest between CDLHT, the H-REIT Manager, the HBT Trustee-Manager, the Sponsor and/or CDL

Each of the H-REIT Manager and the HBT Trustee-Manager is an indirect wholly-owned subsidiary of the Sponsor, which is in turn a wholly-owned subsidiary of CDL. CDL and/or the Sponsor may in the future sponsor, manage or invest in other real estate investment trusts or other vehicles which may also compete directly with CDLHT. In this connection, there can be no assurance that conflicts of interest will not arise between CDLHT on the one hand and CDL and/or the Sponsor on the other in the future, or that CDLHT's interests will not be subordinated to those of CDL and/or the Sponsor, whether in relation to the future acquisition of additional properties or property-related investments or in relation to competition for guests or tenants, in Singapore and elsewhere globally.

There is no assurance that CDLHT will be able to leverage on the Sponsor's or CDL's experience in the operations of Properties

CDL has a direct and deemed interest of approximately 29.277% in the Stapled Securities as of the Latest Practicable Date through its indirect wholly-owned subsidiaries, Hospitality Holdings Pte. Ltd., the H-REIT Manager and HBT Trustee-Manager, and accordingly is a controlling Unitholder. As there is no restriction on the ability of M&C to transfer its interest in the Stapled Securities, there is no assurance that M&C will not dispose of its interest in the Stapled Securities. In the event that CDL decides to dispose of its interest in M&C or M&C decides to transfer or dispose of its interest in the Stapled Securities and ceases to be a controlling Unitholder, CDLHT may no longer be able to leverage on CDL and/or M&C's financial strength, experience, market reach and network of contacts in the global hotel and hospitality industry, rental housing or student accommodation sectors to further its growth. This may have a material and adverse impact on CDLHT's results of operations and financial condition.

CDLHT may depend on certain key personnel, and the loss of any key personnel may adversely affect its operations

CDLHT's performance may depend, in part, upon the continued service and performance of key staff members of the Managers. These key personnel may leave the Managers in the future or compete with the Managers, H-REIT and/or HBT. The loss of any of these individuals, or of one or more of the Manager's other key employees, could have a material adverse effect on CDLHT's financial condition and results of operations.

CDLHT may be involved in legal and/or other proceedings arising from its operations from time to time

CDLHT may be involved from time to time in disputes with various parties involved in the operation, renovation and lease of the Properties such as contractors, subcontractors, suppliers, construction companies, purchasers, hotel guests, customers, employees, hotel managers, franchisors and tenants. These disputes may lead to legal or other proceedings, and may cause CDLHT to incur additional costs and delays. In addition, CDLHT may have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavourable orders, directives or decrees that would result in financial losses and cause delay to the construction or completion of its projects.

If the CMS Licence of the H-REIT Manager is cancelled or not renewed by the MAS or the authorisation of H-REIT as a collective investment scheme under Section 286 of the SFA is suspended, revoked or withdrawn, the operations of H-REIT will be adversely affected

The Capital Markets Services Licence issued to the H-REIT Manager by the MAS (the "**CMS Licence**") is subject to conditions and is valid unless otherwise cancelled or renewed. If the CMS Licence of the H-REIT Manager is cancelled or not renewed by the MAS, it will not be able to continue to be the manager of H-REIT and the operations of H-REIT will be adversely affected if no suitable replacement manager is found or can be found in a timely manner.

H-REIT has been authorised as a collective investment scheme and it must comply with the requirements under the SFA and the Property Funds Appendix. In the event that the authorisation of H-REIT is suspended, revoked or withdrawn, its operations will also be adversely affected.

CDLHT may be unable to comply with the terms and conditions of tax rulings and tax exemptions obtained, or such tax rulings or tax exemptions may be revoked or amended

H-REIT has obtained various tax rulings and tax exemptions from the IRAS and the Ministry of Finance, including the tax transparency ruling and exemptions on foreign-sourced income received in Singapore in respect of its overseas Properties (the "**Tax Rulings**"). These Tax Rulings are subject to stipulated terms and conditions based on the facts and representations presented to the IRAS and the Ministry of Finance at the time of such applications, and include the requirement that H-REIT distribute at least 90.0% of its taxable income in the case of the tax transparency ruling. There can be no assurance that CDLHT will be able to comply with these terms and conditions on an on-going basis or ensure that the facts and representations presented to the tax authorities do not change over time. There can also be no assurance that the IRAS or the Ministry of Finance will not review, amend or revoke the Tax Rulings, either in whole or in part, either arising from a change in the tax laws or their interpretations or a change in policy.

Non-compliance with the terms and conditions imposed on CDLHT under the Tax Rulings may affect H-REIT's tax transparent status, the ability of CDLHT to distribute its taxable income free of tax deduction at source and may also cause CDLHT to pay income tax on its taxable income which may result in CDLHT facing liquidity constraints.

CDLHT is exposed to risks associated with changes in applicable tax laws and regulations, changes in the application of treaty benefits under relevant double taxation agreements and tax treaties and cessation of preferential tax benefits for its Properties

The income and gains derived by CDLHT, directly or indirectly, from its Properties, may be exposed to various types of taxes in Singapore, Australia, New Zealand, Japan, UK, Germany, Italy and Maldives and any other countries where its business may be located and in the Netherlands and the British Virgin Islands where its intermediate holding companies are located. These include, but are not limited to, income tax, withholding tax, capital gains tax and other taxes specifically imposed for the ownership of such assets. Any change in the tax laws, administrative guidance, practice, regulations, or any disagreement as to the interpretation thereof, may lead to an increase in tax rates or the introduction of new taxes, could result in additional tax liability for CDLHT, could adversely affect the value of the investments of CDLHT, and/or affect the ability of CDLHT to achieve its investment objectives.

Any change in the tax status of CDLHT and/or any of its subsidiaries, or change in tax laws, administrative guidance, or regulation (or any disagreement as to the interpretation thereof) that applies to CDLHT and/or any of its subsidiaries, could adversely affect the distributions paid by CDLHT and/or any of its subsidiaries.

Such changes in relation to tax laws, if any, may adversely affect CDLHT's business, financial condition and results of operations.

In addition, the application of treaty benefits under the relevant Avoidance of Double Taxation Agreements ("**DTAs**") and tax treaties, such as the application of reduced withholding tax rates or preferential tax rates on interest and/or dividend income received by the relevant members of CDLHT, may be subject to certain conditions. There can be no assurance that the relevant entities in CDLHT will, on an on-going basis, be able to meet the requisite conditions to benefit from the reduced withholding tax rates or preferential tax rates provided under such DTAs. Where reduced withholding tax rates or preferential tax rates are not applicable, this would reduce CDLHT's income.

Delay by foreign tax authorities in assessing taxes of overseas Properties could affect the amount of payments on the Securities

In the event the entities holding overseas Properties in the property portfolio of CDLHT is unable to obtain a tax audit clearance by the foreign tax authorities in a timely manner, the ability of CDLHT to make payments on the Securities may be affected and CDLHT may be required to obtain debt or other financing to satisfy payments on the Securities. If CDLHT is unable to obtain financing on terms that are acceptable or H-REIT has reached its aggregate leverage limit imposed by the Property Funds Appendix, the amount (if any) and timing of payments on the Securities could be adversely affected.

CDLHT may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting Registered Business Trusts and/or REITs

CDLHT may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting business trusts registered with the MAS ("**Registered Business Trusts**") and/or REITs. There is no assurance that new or revised legislation, regulations, guidelines or directives will not adversely affect Registered Business Trusts and/or REITs in general, or CDLHT, H-REIT and/or HBT specifically.

The termination or retirement of the H-REIT Manager or the HBT Trustee-Manager and/or the Management Companies and/or the expiry or termination of any master lease could have an adverse effect on the business, financial condition, and results of operations and prospects of CDLHT

The H-REIT Manager is responsible for, among other things, formulating and executing H-REIT's investment strategy and making recommendations to the REIT Trustee on the acquisition and disposal of hospitality and hospitality-related assets and other accommodation or lodging assets. *(See "Stapled Structure of CDL Hospitality Trusts – (B) The H-REIT Manager".)*

The HBT Trustee-Manager has the dual responsibility of safeguarding the interests of the HBT Unitholders, and managing the business conducted by HBT. The HBT Trustee-Manager has general powers of management over the assets and its main responsibility is to manage the assets and liabilities for the benefit of the HBT Unitholders. *(See "Stapled structure of CDL Hospitality Trusts – (C) The HBT Trustee-Manager".)*

Each Management Company has been engaged by the H-REIT Group or, as the case may be, the HBT Group to provide, among other things, hotel or property management services such as the day-to-day operation and management of the relevant hotels, resorts, BTR housing and PBSA assets on behalf of CDLHT and their related activities.

In addition, certain properties within CDLHT's portfolio are leased to Master Lessees under master lease agreements that provide for fixed rent, variable rent linked to performance, or a combination of both. The ability of CDLHT to derive rental income from these assets depends on the continued performance and financial soundness of the Master Lessees and the subsistence of the relevant master lease arrangements. The expiry, early termination or non-renewal of any master lease, or the inability to secure a replacement lease or lessee on comparable commercial terms, may result in a loss or reduction of rental income and expose CDLHT to direct operational risks and market volatility associated with the affected properties. *(See also "The loss of a Master Lessee or a downturn in the business of a Master Lessee could adversely affect the financial condition and results of operations of CDLHT" for further discussion of this risk.)*

Accordingly, CDLHT's business, financial condition, results of operations and prospects are dependent on the performance and continuity of the H-REIT Manager, the HBT Trustee-Manager, the Management Companies and the ongoing master lease arrangements. The retirement, removal or termination of the Managers or any Management Company, or the expiry, termination or non-renewal of any master lease without timely replacement on satisfactory terms, could materially and adversely affect the business, financial condition, results of operations and prospects of CDLHT.

CDLHT may be required to indemnify the relevant Management Companies

In respect of the Properties which are managed by the Management Companies, the Management Contracts entered into with these Management Companies provide for CDLHT to be liable for such debts, obligations and/or liabilities in the due performance of the duties of the Management Companies under the respective Management Contract, unless such debts, obligations and/or liabilities arose from the gross negligence or wilful default of the relevant Management Company.

The accounting standards in the jurisdictions which CDLHT operates in may change

CDLHT may be affected by the introduction of new or revised and/or accounting standards in the jurisdictions in which CDLHT operates. The financial statements of CDLHT may be affected by the introduction of such new or revised accounting standards. The extent and timing of these changes in accounting standards are unknown and subject to confirmation by the relevant authorities.

There is no assurance that these changes will not:

- have a significant impact on the presentation of CDLHT's financial statements;
- have a significant impact on CDLHT's results of operations;
- have an adverse effect on the ability of CDLHT to make distributions to Stapled Securityholders;
- have an adverse effect on the ability of the Managers to carry out their investment strategy; or
- have an adverse effect on the operations and financial condition of CDLHT.

CDLHT will be exposed to certain risks in relation to information technology and systems

CDLHT is reliant on certain technologies and systems, whether belonging to the members of CDLHT, the Master Lessees or the Management Companies, to process, transmit and store electronic information and to manage or support a variety of its business processes, including financial transactions and maintenance of records, which may include personally identifiable information of customers and lease data. Any system failures, data viruses, computer "hackers" or other causes may result in operational problems with such information systems. Bookings and reservations for hotel rooms and serviced residence bookings are done through the platforms of the service providers. CDLHT may not have control over potential failures, outages or downtime

over such information systems which could affect, among others, the delivery of reservations to its hotels. Any material disruption or slowdown of the information systems, especially any failures relating to its reservation system, could cause valuable information to be lost or operations to be delayed, which in turn could have a material adverse effect on CDLHT's business, financial condition and results of operations and have a material adverse impact on CDLHT's reputation.

Potential liability for environmental problems could result in substantial costs

CDLHT is subject to a variety of laws and regulations in countries in which the Properties are located concerning the protection of health and the environment that may require a current or previous owner of real estate to investigate and clean up hazardous or toxic substances on a property. For example, owners and operators of real estate may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. Such laws often impose liability without regard to whether the owner or operator knows of, or is responsible for, the presence of such substances or materials. The cost of investigation, remediation or removal of these substances may be substantial. CDLHT has not provided for such potential obligations in its consolidated financial statements. Environmental laws and regulations may also impose compliance obligations on owners and operators of properties with respect to the management of hazardous substances and other regulated materials. Failure to comply with these laws can result in penalties or other sanctions.

Existing environmental reports, investigations and due diligence exercises with respect to any of the Properties may not reveal all environmental liabilities, whether previous or current owners or operators of such Properties had created any material environmental condition not known to them or whether a material environmental condition exists in any one or more of these Properties. There also exists the risk that material environmental conditions, liabilities, or compliance concerns may have arisen or may arise in the future. Future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liabilities.

CDLHT cannot provide assurance that more stringent requirements for environmental protection will not be imposed by the relevant governmental authorities in the future. If CDLHT fails to comply with existing or future environmental laws and regulations of the jurisdictions in which the Properties are located, or fails to meet societal expectations with regard to environmental issues, CDLHT may suffer damage to its reputation or may be required to pay penalties or fines or take remedial actions, any of which could have a material adverse effect on its business, financial condition, results of operations and prospects.

CDLHT may be subject to risks relating to the collection, use, disclosure or processing of personal data in the course of its business, as well as compliance with applicable laws and regulations including the PDPA

CDLHT may be subject to certain risks relating to the collection of personal data in the course of its business, as well as risks associated with compliance with applicable laws and regulations relating to such data in the jurisdictions in which it operates.

For example, in Singapore the PDPA imposes certain obligations on CDLHT where it collects, uses, discloses or processes personal data (i.e., data whether true or not, about an individual who can be identified from that data or other accessible information). In general, the PDPA permits CDLHT to collect, use or disclose personal data only for purposes for which it has obtained consent, and imposes various data retention, data management and data transfer obligations upon it. The PDPA also created a regulatory authority, the Personal Data Protection Commission (the "**PDPC**"), with the power to give directions to ensure compliance with the PDPA, including the power to require an organisation to pay a penalty of up to S$1 million or, for organisations with more than S$10 million annual turnover in Singapore, up to 10.0% of the organisation's annual

turnover in Singapore, for breach of PDPA requirements. Apart from this, under the PDPA, individuals have a right of private action, and there are offences for which the penalties upon conviction include imprisonment. In addition, regulators have introduced enhancements to the PDPA, including higher financial penalties for data breaches since 1 October 2022. The imposition of such additional regulatory measures in Singapore or elsewhere may have a material adverse effect on CDLHT's business, financial condition and results of operations. CDLHT may have no direct material relationship with end-users and may rely on other third parties to obtain relevant consents from end-users and some other relevant individuals. Relevant guidance from the PDPC suggests that this may be permissible if it exercises appropriate due diligence. While CDLHT takes various due diligence measures, ultimately it may be dependent on such third parties' representations and warranties.

Published unaudited interim and year-end financial statements in respect of CDLHT and its subsidiaries which are, from time to time, included or incorporated by reference in this Information Memorandum will not have been audited or subject to review

Any published unaudited interim and year-end financial statements in respect of CDLHT which are, from time to time, included in or deemed to be incorporated by reference in this Information Memorandum will not have been audited or subject to review by the auditors in respect of CDLHT, as the case may be. Accordingly, there can be no assurance that, had an audit or review been conducted in respect of such financial statements, the information presented therein would not have been materially different, and investors should not place undue reliance upon them.

RISKS RELATING TO INVESTING IN REAL ESTATE AND IN THE COUNTRIES IN WHICH THE PROPERTIES ARE LOCATED

The Properties are located in Singapore, Australia, New Zealand, Japan, UK, Germany, Italy and Maldives and CDLHT may make further acquisitions of properties elsewhere in the world. This exposes CDLHT to economic and real estate market conditions, changes in fiscal policies and tax regimes in such other countries

While the assets in CDLHT's portfolio are located in Singapore, Australia, New Zealand, Japan, UK, Germany, Italy and Maldives, CDLHT's investment strategy envisages investments globally. As a result, CDLHT's results of operations depend, to a large extent, on the performance of the local, regional or global economy.

Political upheavals, natural disasters, insurgency movements, riots, governmental policies, changes in government or ruling parties all play a pivotal role in the performance of CDLHT's assets. Investments in assets in other countries will expose CDLHT to the local real estate market conditions in these countries. An economic decline in any one or more of the countries in which the assets of CDLHT are located could adversely affect CDLHT's results of operations and future growth.

Other local real estate market conditions which may adversely affect the performance of CDLHT include the attractiveness of competing hospitality, hospitality-related or living assets, for example, if there is an oversupply or reduced demand for such hospitality, hospitality-related or living assets. CDLHT may also be exposed to risks associated with exchange rate fluctuations between the Singapore Dollar and the local currency of foreign countries.

In addition, the income and gains derived from investments in hospitality, hospitality-related and living assets in other countries will be subject to various types of taxes in Singapore and these foreign countries, including income tax, withholding tax, thin capitalisation rules, capital gains tax and any other taxes that may be imposed specifically for ownership of real estate. All of these taxes, which are subject to changes in laws and regulations that may lead to an increase in tax rates, change in tax computation basis or the introduction of new taxes could adversely affect and

erode the returns from these assets. There is also no assurance that CDLHT will be able to repatriate to Singapore the income and gains derived from investments in assets outside Singapore on a timely and regular basis. Any inability to repatriate the income and gains to Singapore will affect CDLHT's ability to make payments of principal and interest on the Securities out of such income and gains.

CDLHT is subject to the real estate laws, regulations and policies in the jurisdictions in which the Properties are located

CDLHT will be subject to foreign real estate laws, regulations and policies as a result of its property investments in foreign countries. There might be negative impact on a property owned by CDLHT in a foreign country as a result of changes in such laws, regulations and policies adopted by the relevant foreign governments and regulatory authorities at national, provincial or local levels, such as those relating to government control over property investments, usage, zoning, building standards, fire regulations, seismic regulations, town planning, taxes, government charges, environmental issues or regulations in relation to foreign exchange or restrictions on repatriation of dividends or profits.

Any changes, or any new, laws, regulation and policies standards may also lead to an increase in expenses or unforeseen capital expenditure to ensure compliance, affect or restrict rights related to relevant properties in CDLHT's portfolio or affect/restrict CDLHT's ability to maximise its income. Legal protection and recourse available to CDLHT in certain countries may be limited. There can be no assurance that such changes to, or any new, laws, regulations and policies standards will not materially and adversely affect the business, financial condition and results of operations of CDLHT.

Governments of the countries in which CDLHT operates may also seek to promote a stable and sustainable property market by monitoring the property market and adopting measures as and when they deem necessary, including in relation to foreign investment restrictions. These governments may introduce new policies or amend or abolish existing policies at any time and these policies may have retroactive effect. These changes may have a material and adverse impact on the overall performance of the property markets in which CDLHT operates and thus materially and adversely affect the business, financial condition and results of operations of CDLHT.

CDLHT is subject to environmental, health and safety laws and regulations and increasing regulatory controls on energy efficiency and carbon emissions

CDLHT is subject to various environmental, health and safety laws and regulations in the jurisdictions in which it operates, including those relating to air and water pollution control, waste management, noise control, energy efficiency and workplace safety. Certain of these frameworks may impose liability for investigation and remediation costs or penalties for non-compliance, and may entail ongoing monitoring, certification and reporting obligations that increase operating costs or impose operating constraints.

Regulatory requirements relating to sustainability and carbon reduction continue to evolve in CDLHT's key markets. Across CDLHT's key markets such as Singapore and the United Kingdom, governments are progressively tightening environmental and energy-efficiency regulations as part of their climate and net-zero commitments. These initiatives aim to improve the sustainability performance of buildings, and may require landlords and operators to upgrade assets, enhance disclosure standards and reduce carbon emissions over time.

For instance, in the UK, the Future Homes and Buildings Standards seeks to introduce stricter building regulations, particularly on ventilation, energy efficiency and heating which affect new build schemes. Minimum Energy Efficiency Standards ("**MEES**") regulations also require landlords

of privately rented homes in England and Wales to achieve an energy performance certificate ("**EPC**") rating of at least "E", with proposals to raise the minimum rating to "C" by 2030.

In Singapore, similar efforts are underway to promote sustainable development and progress towards the national target of achieving net-zero emissions by 2050. Regulatory and policy measures such as the BCA Green Mark certification scheme and enhanced building energy standards are being strengthened to encourage more sustainable building designs and operations. This may increase compliance, audit and disclosure costs for real estate owners and operators. The transition to a low-carbon economy may also result in further regulations requiring businesses to monitor, disclose and reduce energy usage and emissions.

Ongoing compliance with such environmental and sustainability-related regulations may increase the costs of managing CDLHT's assets, including third-party consultancy fees, additional internal resources or unforeseen capital expenditure to ensure compliance and maintain regulatory certification.

Failure to meet applicable environmental or energy-efficiency requirements in any jurisdiction could result in enforcement action, civil penalties or restrictions on use, and CDLHT may need to incur additional expenditure to achieve or maintain compliance.

Risk of change in rules on fire safety regulations

The Group's assets are subject to the laws and regulations of the markets in which CDLHT is currently operating, including rules on fire safety regulations. Any change in laws and regulations may require CDLHT to obtain fresh or additional regulatory approvals, permits, certificates, consents, and/or licences to engage in the hospitality and accommodation business. In the event that CDLHT is unable to obtain such approvals and/or licences, or where there is a delay in obtaining them, CDLHT's ability to operate the relevant Property will be adversely affected.

CDLHT may be subject to increases in property expenses and other operating expenses

CDLHT's financial condition and operating results could be adversely affected if property expenses and other operating expenses increase.

Factors that could increase property expenses and other operating expenses include:

- increases in property taxes and other statutory charges;
- changes in statutory laws, building codes, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;
- increases in insurance premiums and deductibles;
- general inflationary pressures affecting wages, consumables, housekeeping, laundry, security and maintenance costs;
- increases in marketing, distribution and promotion expenses, including digital marketing and loyalty programmes;
- increases in operating supplies and consumables such as food and beverages, guest amenities, linen, cleaning products and maintenance materials for hospitality assets;
- increases in utility and energy charges, including electricity, gas, water and waste disposal costs;

- increases in leasing fees and commissions payable to third party agents for marketing Retail Properties and living assets to tenants;

- increases in social engagement programme costs and tenant turnover costs for living assets;

- defects affecting or environmental pollution in connection with CDLHT's assets which need to be rectified, leading to unforeseen capital expenditure; and

- increase in the Managers' management fees, the H-REIT Trustee's fee and other trust expenses.

There can be no assurance that should the property expenses and other operating expenses increase, such increase will not have a significant impact on CDLHT financial condition and total returns.

Losses or liabilities from latent property or equipment defects and disruptions from capital expenditure works may adversely affect earnings and cash flow

Design, construction or other latent property or equipment defects in the Properties may require additional capital expenditure, special repair, maintenance expenses or the payment of damages or other obligations to third parties. Costs or liabilities arising from such property or equipment defects may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material adverse effect on CDLHT's earnings and cash flows. The costs of maintaining the Properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as the properties age. In addition, during periods of capital expenditure works, including routine maintenance or asset enhancement initiatives, the business and operations of the affected Properties may experience temporary disruption as certain areas or facilities (such as guest rooms, meeting and event spaces, food and beverage outlets, public or amenity areas, or apartments in the PBSA or BTR properties) may not be accessible or rooms may be taken out of inventory. These works may also cause noise, visual or physical disruption, which could adversely affect guest experience, tenant satisfaction and overall operating performance. Consequently, it may not be possible to collect the full amount of, or in some cases any, income on the affected space during such periods. In addition, statutory or contractual representations, warranties and indemnities given by any seller of real estate properties are unlikely to afford satisfactory protection from costs or liabilities arising from such property or equipment defects.

***CDLHT's acquisition of the Properties or future acquisitions may be subject to risks associated with the acquisition of real estate and due diligence on the Properties as well as their respective tenancies, contracts, building and equipment, may not have identified all defects, breaches of* laws and regulations and other deficiencies**

While reasonable due diligence investigations have been conducted with respect to the Properties, there can be no assurance that the Properties or future acquisitions will not have defects or deficiencies requiring repair, maintenance or replacement (including design, construction or other latent property or equipment defects in the Properties which may require or result in additional capital expenditure, special repair, maintenance expenses, the payment of damages or other obligations to third parties) or that the due diligence investigations and physical inspections will uncover all non-compliance with the laws and regulations in relation to the Properties.

The expert reports, which the Managers rely upon as part of the due diligence investigations of the Properties together with their respective tenancies and contracts, may contain inaccuracies and deficiencies and may be subject to limitations as to their scope and the limitation of liability of the expert with respect to such report. Certain building defects and deficiencies may be difficult or

impossible to ascertain due to the limitations inherent in the scope of the inspections, the technologies or techniques used and other factors.

Costs or liabilities arising from such defects or deficiencies may require or result in significant capital expenditures or obligations to third parties and may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material adverse effect on CDLHT's earnings and cash flows.

In addition, laws and regulations (including those relating to real estate) may have been breached and certain regulatory requirements in relation to the Properties or future acquisitions may not be or have been complied with, which the due diligence investigations did not or might not uncover. As a result, CDLHT may incur financial or other obligations in relation to such breaches or noncompliance.

CDLHT may be subject to unknown or contingent liabilities related to properties or businesses that it has acquired or may acquire, which may result in damages and investment losses

Assets and entities that CDLHT has acquired or may acquire in the future may be subject to unknown, contingent or unquantifiable liabilities for which CDLHT may have limited or no recourse against the sellers. Such liabilities may include, among others, liabilities for environmental clean-up or remediation, structural or building defects, non-compliance with planning, fire safety or accessibility requirements, outstanding tax liabilities, employee-related claims, claims of tenants, vendors or other persons dealing with the acquired entities, lease or contract disputes, and other liabilities whether incurred in the ordinary course of business or otherwise. Some of these liabilities may only become apparent after completion of the acquisition, and may arise from events that occurred prior to CDLHT's ownership.

In certain transactions, CDLHT may acquire assets or entities with limited representations and warranties, or with representations and warranties that do not survive the closing of the transactions, in which event CDLHT would have no or limited post-completion recourse against the sellers. Even where representations and warranties survive, the scope of protection is typically restricted. While CDLHT will seek to negotiate for sellers to provide indemnities in respect to breaches of representations and warranties that survive the closing of the transactions, CDLHT may not always be able to obtain such indemnities, and any indemnity that is obtained is often limited in duration and subject to various materiality thresholds, deductibles or aggregate cap on recoverable losses.

In addition, statutory or contractual representations, warranties and indemnities given by sellers are typically subject to express limitations on their scope, the amount recoverable and the time period within which claims may be brought. CDLHT may not always be entitled to, or be successful in, recovering any amounts under such provisions for losses or liabilities arising from property, equipment or structural defects. Even where a claim is theoretically available, recovery may be constrained by contractual limits, the financial position of the seller, or exclusions within the applicable warranty or indemnity.

In some cases, the sellers may be special-purpose vehicles or entities with limited assets, making enforcement or recovery of any indemnity difficult. CDLHT may also choose, or be required, to rely on escrow retentions or warranty and indemnity insurance, which may not cover all potential losses and are subject to exclusions and coverage limits.

Accordingly, there can be no assurance that CDLHT will be able to recover any amounts in respect of losses arising from pre-existing conditions or breaches by sellers. The total amount of costs and expenses that CDLHT may incur in connection with such liabilities may exceed its estimates or the

purchase price adjustments agreed with the sellers. Any such liabilities or shortfall in recovery could have a material adverse effect on the business, financial condition and results of operations of CDLHT.

The Managers may not be able to implement AEIs or successfully carry out development activities

The Managers continuously strive to enhance CDLHT's assets through planned periodic upgrading, refurbishment and reconfiguration of the Properties in order to achieve a higher level of guest or tenant satisfaction as well as to improve the Properties' performance and competitiveness.

Any plans for AEIs are subject to known and unknown risks, uncertainties and other factors which may lead to any of such AEIs and/or their outcomes being materially different from the original projections or plans. The successful development of such planned enhancements is subject to many risks, including those associated with delays in renovations, cost overruns, changes in plans and specifications, increased prices for raw materials or building supplies, labour disputes and work stoppages.

In addition, global or regional supply chain disruptions – arising from shortages of construction materials, logistics bottlenecks, delays in shipping, geopolitical tensions or other external factors – may further increase project costs or lead to delays in the procurement of key equipment and materials. Such disruptions could also affect the availability or pricing of furnishings, fixtures, equipment or replacement parts for the Properties.

The Managers may from time to time and (in relation to the H-REIT Manager, with respect to H-REIT) within the development limits as set out in the Property Funds Appendix, undertake development or redevelopment activities. These activities are also subject to risks associated with obtaining regulatory, planning or building approvals, availability of skilled contractors, environmental compliance requirements and potential public or stakeholder objections.

There can be no assurance that the Managers will be able to implement any of such AEIs or carry out development activities successfully, or that such projects will enhance the value, performance or competitiveness of the relevant property.

The AEIs or development activities are or may be subject to CDLHT obtaining the approvals of the relevant authorities. Furthermore, the Managers may not be able to carry out the proposed AEIs or development activities within a desired timeframe, and any benefit or return which is expected from such AEIs or development activities may be reduced or lost. Even if the relevant AEI or development is completed as planned, there can be no assurance that CDLHT will achieve its intended return or benefit from such AEIs or development activities.

Renovation work, repair and maintenance or physical damage to the Properties may disrupt the operations of CDLHT and collection of rental income from Master Lessees or the ability of the Self-Managed Properties and Management Companies to generate revenue or otherwise result in adverse impact on the financial condition of CDLHT

The quality and design of the Properties influence the room rates and the demand for rooms. The Properties may need to undergo renovation works from time to time to retain their attractiveness to guests and tenants, and may also require *ad hoc* maintenance or repairs in respect of faults or problems that may develop or because of new planning laws or regulations. The costs of maintaining the Properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as the Properties age. The business and operations of the Properties may be disrupted as a result of renovation works and it may not be possible to collect the full rental rate or, as the case may be, any rental income on the space affected by such renovation works. In

relation to the Properties under Master Leases, this may affect the ability of the Master Lessees to make rental payments under their respective Master Lease Agreements. In relation to the Properties under Management Contracts, this may affect the ability of the relevant Management Companies to generate income under their respective Management Contracts.

In addition, physical damage to the Properties resulting from fire or other causes (such as ground movements from surrounding construction works, notwithstanding any safety measures being put in place) may lead to a significant disruption to the business and operations of the Properties. Furthermore, the Master Lessees and/or Management Companies in respect of certain of the Properties have the right to terminate their tenancies prematurely in the event that such physical damage (not caused by the negligence or default of the Master Lessees and/or Management Companies) persists for an extended period of time. The foregoing may impose unbudgeted costs on CDLHT and may result in an adverse impact on the business, financial condition, results of operations and prospects of CDLHT.

The value of the Group's assets might be adversely affected if any of the Managers, the Master Lessees and/or the Management Companies (as the case may be) do not provide adequate management and maintenance or purchase or put in place adequate insurance in relation to the assets of the Group and its potential liabilities to third parties

Should the Managers, the Master Lessees, the Management Companies and/or other hotel and property managers (as the case may be) fail to provide adequate management and maintenance, or fail to establish and maintain adequate insurance in relation to damage to any of the assets of CDLHT and its potential liabilities to third parties, the Group may be exposed to various liabilities and losses to the extent that such assets and liabilities are not adequately insured.

Catastrophic losses and/or potential liabilities to third parties may not be economically insurable, if at all. CDLHT would also be responsible for the deductibles to all its policies.

CDLHT may suffer material losses in excess of insurance proceeds

CDLHT's portfolio of assets could suffer physical damage caused by fire or other causes or CDLHT Trusts may suffer public liability claims, all of which may result in losses (including loss of rent) that may not be fully compensated by insurance proceeds. In addition, certain types of risks (such as terrorism, war risk and losses caused by the withholding of supply of, e.g. utilities, by a supply authority and contamination or other environmental breaches) may be uninsurable or become uninsurable or the cost of insurance may be prohibitive when compared to the risk. CDLHT's insurance policies do not cover certain types of risks such as acts of war, contamination or other environmental breaches, radioactive contaminations or explosive nuclear assemblies.

Should an uninsured loss or a loss in excess of insured limits occur, or should the Group's insurers fail to fulfil their obligations for the sum insured, CDLHT could be required to pay compensation and/or lose capital invested in the affected property as well as anticipated future revenue from that property. CDLHT would also remain liable for any debt or other financial obligation related to that property. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future. Such an event would adversely affect CDLHT's business, financial condition and results of operations. There is no assurance that adequate insurance coverage will be available in the future on commercially reasonable terms or rates.

Some of the Properties in the UK are subject to defects relating to its title

Certain of CDLHT's properties located in the United Kingdom are subject to various kinds of defects in title, including (without limitation):

(a) the title is subject to unknown covenants, rights and rent charges;

(b) the title is subject to the risk that someone might claim title to any valuation mines and minerals under the relevant Property;

(c) the relevant Property may lack planning permission and/or conservation area consent;

(d) the relevant Property is or may be subject to a liability to meet or contribute to the cost of repairing the chancel of a church;

(e) the relevant Property may be subject to a restrictive covenant;

(f) the existence of unauthorised structures, for instance a hotel steelwork canopy that overhangs the public footpath with no legal right to do so; and

(g) the relevant Property may interfere with certain right of way of their neighbouring properties.

Title indemnity insurance policies have been taken out for certain Properties to address some of these title defects. Such policies are common and generally recognised in the UK real estate market as an acceptable means of mitigating title-related risks. However, there can be no assurance that such title indemnity insurance will be sufficient to cover all potential losses, liabilities, costs or expenses that may arise from title defects. Coverage may be subject to exclusions, limitations, conditions precedent, claim notification requirements or monetary caps. In addition, the insurer may dispute coverage or become insolvent, which could prevent CDLHT from recovering under such policies.

While there are no current disputes in respect of the title defects identified, there can be no assurance that claims will not arise in the future. If a claim were to arise, whether or not covered by insurance, such claim could materially and adversely affect CDLHT's business, revenue, financial condition and results of operations.

CDLHT may be adversely affected by the illiquidity of real estate investments

Real estate investments, particularly investments in high value properties such as those in which CDLHT has invested or intends to invest, are relatively illiquid. Such illiquidity may affect CDLHT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, real estate market or other conditions. For instance, CDLHT may be unable to sell its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. Moreover, CDLHT may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on CDLHT's financial condition and results of operations.

CDLHT operates through Property Owning Entities and its ability to make payments to Securityholders through the H-REIT Trustee and/or the HBT Trustee-Manager, as the case may be, is dependent on the financial position of the Property Owning Entities and Property Holding Entities

A number of the Properties are held by the Property Owning Entities, which may in turn be held by CDLHT through the Property Holding Entities. Accordingly, CDLHT operates through the Property Owning Entities and derives its income and cash flows from payments and other distributions made by these Property Owning Entities, whether directly to CDLHT or indirectly through the Property Holding Entities.

In order to make payments to Securityholders, the H-REIT Trustee and/or the HBT Trustee-Manager, as the case may be, will rely on the receipt by CDLHT of the distributions or other payments from these Property Owning Entities to the Property Holding Entities or, as the case may be, from the Property Owning Entities or Property Holding Entities to CDLHT. The ability of the Property Owning Entities or, as the case may be, Property Holding Entities to make such

payments may be restricted by, among other things, the Property Owning Entities' or, as the case may be, Property Holding Entities' respective businesses and financial positions, the availability of distributable profits, applicable laws and regulations (which may restrict the payment of dividends by the Property Owning Entities or, as the case may be, Property Holding Entities) or the terms of agreements to which they are, or may become, a party to.

There can be no assurance that the Property Owning Entities or, as the case may be, Property Holding Entities will have sufficient distributable or realised profits or surplus in any future period to pay dividends or make advances to CDLHT. The level of profit or surplus of each Property Owning Entity or, as the case may be, each Property Holding Entity available for distribution by way of dividends to CDLHT may be affected by a number of factors, including:

- losses incurred by the Property Owning Entities or, as the case may be, Property Holding Entities in any financial year;

- losses arising from a revaluation of any of the Properties following any diminution in value of any of the relevant Properties. Such losses may become realised losses which would adversely affect the level of realised profits from which the relevant Property Owning Entity or, as the case may be, Property Holding Entity may make distributions to CDLHT;

- accounting standards that require profits generated from investment properties to be net of depreciation;

- charges before such profits are distributed to CDLHT;

- changes in accounting standards, taxation regulations, corporation laws and regulations relating hereto; and

- insufficient cash flows received by the Property Owning Entities from the Properties.

The occurrence of these or other factors that affect the ability of the Property Owning Entities or, as the case may be, Property Holding Entities to pay dividends or other distributions to CDLHT may adversely affect the ability of the H-REIT Trustee and/or HBT Trustee-Manager, as the case may be, to make payments to the Securityholders.

The Properties or a part of them may be acquired compulsorily

Under the laws and regulations of each country in which CDLHT operates, there may be various circumstances under which the respective governments of each country are empowered to acquire some of the Properties.

In particular, in Singapore the Land Acquisition Act 1966 of Singapore gives the Government the power to acquire any land in Singapore:

- for any public purpose;

- for any work or undertaking which is of public benefit or of public utility or in the public interest; or

- for any residential, commercial or industrial purposes

In the event the Properties or the land on which they are located are compulsorily acquired, the income of CDLHT may be adversely affected. The owner of a Property that is compulsorily acquired may be compensated in accordance with the laws of the respective jurisdictions. If the market value of the land (or part thereof) to be compulsorily acquired is greater than the

compensation paid to CDLHT in respect of the acquired land, CDLHT's business, financial condition and results of operations could be adversely affected.

The future market value of the Properties may differ from the valuations determined by independent valuers

Property valuations generally include a subjective evaluation of certain factors relating to the relevant properties, such as their relative market positions, their financial and competitive strengths and their physical conditions. A valuer's determination of the appraised value of any Property does not guarantee a sale of such Property at its appraised value at present or in the future. The price at which CDLHT may sell any of the new properties acquired in the future may be lower than the price paid for that property.

In addition, there can be no assurance that there will be no downward revaluation of the Properties in the future. In addition, CDLHT is required to measure its investment properties and property, plant and equipment (land and building) at fair value at each balance sheet date. and any change in the fair value of these properties is recognised in the statements of total return and/or unitholders' funds (as the case may be). The changes in fair value may have an adverse effect on CDLHT's financial results in the financial years where there is a significant decrease in the valuation of any of the Properties as revaluation losses will be charged to CDLHT's statements of total return. A downward revaluation of any of these properties may also result in an increase in CDLHT's gearing.

The latest independent valuations of the Properties are as at 31 December 2024. In valuing the Properties, the valuers utilise, among others, the discounted cash flow and direct capitalisation methods, which take into account the projected cash flows of the property. The valuations of the Properties may change significantly and unexpectedly over a relatively short period of time.

Existing or planned amenities and transportation infrastructure near the Properties may be closed, relocated, terminated, delayed or not completed

There is no assurance that the amenities and transportation infrastructure and public transport services near the Properties will not be closed, relocated, terminated, delayed or uncompleted, or that there will be no impediment to the traffic flow in the vicinity. Such closure, relocation, termination, delay, non-completion or impediment may adversely affect the accessibility of the Properties. This may then have an adverse effect on the attractiveness and marketability of the Properties to guests and tenants and may adversely affect the business, financial condition, results of operations and prospects of CDLHT.

The operation of certain Properties relies on trademarks which CDLHT does not own

The operation of certain Properties relies on trademarks which CDLHT does not own. CDLHT has been granted rights to use these third-party trademarks under certain agreements with the owner and/or licensor of such trademark in connection with the operation of the Properties. Loss of the right to use the trademarks may have a material adverse effect on CDLHT's reputation, goodwill, business, prospects and results of operations.

CDLHT may be affected by adverse developments or negative publicity affecting the brand names under which its Properties operate

Some of the Properties are managed by international hotel managers or regional operators under certain brand names. Any degradation or adverse market developments relating to such brand names used by the Properties or any negative publicity affecting such brands could adversely affect the results of operations of the Properties. For properties operated under franchise or licensing arrangements, any negative publicity, deterioration in brand reputation, or adverse

developments relating to the franchised brand names could also negatively impact the performance and profitability of such Properties. These factors could have a material adverse effect on the financial condition and results of operations of CDLHT.

Risk of change in surrounding planning, zoning rules or land use regulations

The performance of CDLHT's Properties may be affected by changes to the planning, zoning or land use rules and regulations governing the areas surrounding the Properties. Alterations to surrounding land use designations, transport infrastructure or building approvals can materially affect the environment, accessibility and overall attractiveness of a property's location. For example, the approval of competing projects, the conversion of neighbouring sites for alternative uses, or redevelopment of adjacent land for non-compatible purposes may adversely affect demand, visibility or the rental appeal of CDLHT's hospitality and living assets.

For PBSA assets, which are located within or near university precincts, proximity to feeder institutions is a key demand driver. Any zoning or planning changes that alter the surrounding education precinct – such as the relocation of a university campus or significant new competing developments – could reduce student demand and occupancy levels for CDLHT's PBSA assets.

While CDLHT and the Managers conduct reasonable due diligence prior to each acquisition, planning and zoning information is often complex, subject to interpretation and may change over time. Accordingly, CDLHT's future investment or asset management decisions may not always be based on complete, accurate or up-to-date information. Any such changes, inaccuracies or uncertainties in surrounding planning or zoning conditions could materially and adversely affect the occupancy, competitiveness, business operations and financial performance of CDLHT's affected properties.

PURPOSE OF THE PROGRAMME AND USE OF PROCEEDS

The net proceeds arising from the issue of Securities under the Programme (after deducting issue expenses) will be used (i) to refinance existing borrowings, (ii) to finance or, as the case may be, refinance investments of the Issuers, (iii) to on-lend to any trust, fund or entity in which the Issuers has an interest or (in the case where DBS Trustee Limited (in its capacity as trustee of H-REIT) is the Issuer) to on-lend to HBT and its subsidiaries, (iv) to finance or, as the case may be, refinance any asset enhancement works initiated by the Issuers or such trust, fund or entity in which the Issuer(s) has an interest, (v) to finance the general working capital purposes of the Issuers or (vi) for such other purpose as may be specified in the relevant Pricing Supplement.

CLEARING AND SETTLEMENT

Clearance and Settlement under the Depository System

In respect of Securities which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP. Securities that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Securities which are accepted for clearance by CDP, the entire issue of the Securities is to be held by CDP in the form of a Global Security or a Global Certificate for persons holding the Securities in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Securities between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Securities through the Depository System may be effected through securities sub-accounts held with corporate depositors ("**Depository Agents**"). Depositors holding the Securities in direct securities accounts with CDP, and who wish to trade Securities through the Depository System, must transfer the Securities to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between the Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and distribution and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Securities in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuers, the Trustee, the Agents or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Clearance and Settlement under Euroclear and/or Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants, thereby eliminating the need for physical movements of certificates and any risks from lack of simultaneous transfer. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deals with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems which enables their respective participants to settle trades with one another. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to other financial institutions, such as banks, brokers, dealers and trust companies which

clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

A participant's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under those rules and operating procedures only on behalf of their respective participants, and have no record of, or relationship with, persons holding any interests through their respective participants. Distributions of principal with respect to book-entry interests in the Securities held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the relevant Paying Agent, to the cash accounts of the relevant Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

SINGAPORE TAXATION

*The statements made below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by IRAS and MAS in force as at the date of this Information Memorandum and are subject to any changes in such laws, administrative guidelines, or circulars, or the interpretation of those laws, guidelines, or circulars occurring after such date, which changes could be made on a retroactive basis, including amendments to the Income Tax (Qualifying Debt Securities) Regulations to include the conditions for the income tax and withholding tax exemptions under the qualifying debt securities ("**QDS**") scheme for early redemption fee (as defined in the ITA) and redemption premium (as such term has been amended by the ITA). It should be noted that as at the date of this Information Memorandum, the Income Tax (Qualifying Debt Securities) Regulations have not been amended to reflect the amendments made to the ITA in respect of the QDS scheme pursuant to the Income Tax (Amendment) Act 2023. These laws, guidelines and circulars are also subject to various interpretations and no assurance can be given that the relevant tax authorities or the courts will agree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Securities or of any person acquiring, selling or otherwise dealing with the Securities or on any tax implications arising from the acquisition, sale or other dealings in respect of the Securities. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive (s)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Prospective holders of the Securities are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Securities, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Relevant Issuer, the Arranger or any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Securities.*

The disclosure below is on the assumption that the IRAS regards each Tranche of the Perpetual Securities as "debt securities" for the purposes of the ITA and that distribution payments made under each Tranche of the Perpetual Securities (including, without limitation, the distributions, Optional Distributions, Arrears of Distribution and any Additional Distribution Amounts) will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax concessions and exemptions available for QDS, provided that the other conditions for the QDS scheme are satisfied. If any Tranche of the Perpetual Securities is not regarded as "debt securities" for the purposes of the ITA or any distribution payment under any Tranche of the Perpetual Securities (including, without limitation, the distributions, Optional Distributions, Arrears of Distribution and any Additional Distribution Amounts) is not regarded as interest payable on indebtedness or holders thereof are not eligible for the tax concessions under the QDS scheme, the tax treatment to holders may differ. Investors and holders of any Tranche of the Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of any Tranche of the Perpetual Securities.

1. Interest and other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15% final withholding tax described below) to non-resident persons (other than non-resident individuals) is the prevailing corporate tax rate, currently 17%. The applicable rate for non-resident individuals is currently 24%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15%. The rate of 15% may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium from debt securities, except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

The terms "early redemption fee" and "redemption premium" are defined in the ITA as follows:

"**early redemption fee**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities; and

"**redemption premium**", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity or on the early redemption of the securities.

References to "early redemption fee" and "redemption premium" in this Singapore tax disclosure have the same meaning as defined in the ITA.

In addition, as the Programme as a whole is arranged by DBS Bank Ltd., which is a Specified Licensed Entity (as defined below), any tranche of the Securities issued as debt securities under the Programme during the period from the date of this Information Memorandum to 31 December 2028 (the "**Relevant Securities**") would be QDS for the purposes of the ITA, to which the following treatment shall apply:

(i) subject to certain prescribed conditions having been fulfiled (including the furnishing by the Relevant Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Securities

as MAS may require, and the inclusion by the Relevant Issuer in all offering documents relating to the Relevant Securities of a statement to the effect that where interest, discount income, early redemption fee or redemption premium from the Relevant Securities is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for QDS shall not apply if the non-resident person acquires the Relevant Securities using the funds and profits of such person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium (collectively, the "**Specified Income**") from the Relevant Securities, paid by the Relevant Issuer and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Securities are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore income tax;

(ii) subject to certain conditions having been fulfiled (including the furnishing by the Relevant Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Securities as MAS may require), Specified Income from the Relevant Securities paid by the Relevant Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore, other than any non-resident who qualifies for the tax exemption as described in paragraph (i) above, is subject to income tax at a concessionary rate of 10% (except for holders who have been granted the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(iii) subject to:

(aa) the Relevant Issuer including in all offering documents relating to the Relevant Securities a statement to the effect that any person whose interest, discount income, early redemption fee or redemption premium (i.e. the Specified Income) derived from the Relevant Securities is not exempt from tax shall include such income in a return of income made under the ITA; and

(bb) the Relevant Issuer, or such other person as MAS may direct, furnishing to the MAS a return on debt securities for the Relevant Securities in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Securities as MAS may require,

payments of Specified Income derived from the Relevant Securities are not subject to withholding of tax by the Relevant Issuer.

The term "**Specified Licensed Entity**" means any of the following persons:

(A) a bank or merchant bank licensed under the Banking Act 1970 of Singapore;

(B) a finance company licensed under the Finance Companies Act 1967 of Singapore;

(C) a person who holds a capital markets services licence under the Securities and Futures Act 2001 of Singapore to carry on a business in any of the following regulated activities: advising on corporate finance or dealing in capital markets products.

Notwithstanding the foregoing:

(A) if during the primary launch of any tranche of the Relevant Securities, the Relevant Securities of such tranche are issued to fewer than four (4) persons and 50% or more of the issue of such Relevant Securities is beneficially held or funded, directly or indirectly, by a related party or related parties of the Relevant Issuer or the H-REIT Manager, such Relevant Securities would not qualify as QDS; and

(B) even though a particular tranche of the Relevant Securities are QDS, if, at any time during the tenure of such tranche of Relevant Securities, 50% or more of such Relevant Securities which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related parties of the Relevant Issuer or the H-REIT Manager, Specified Income derived from such Relevant Securities held by:

(I) any related party of the Relevant Issuer or the H-REIT Manager; or

(II) any other person where the funds used by such person to acquire such Relevant Securities are obtained, directly or indirectly, from any related party of the Relevant Issuer or the H-REIT Manager,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term "**related party**", in relation to a person (*A*), means any person (a) who directly or indirectly controls *A*; (b) who is being controlled directly or indirectly by *A*; or (c) who, together with *A*, is directly or indirectly under the control of a common person.

Where interest (including distributions which are regarded as interest for Singapore income tax purposes), discount income, early redemption fee or redemption premium (i.e. the Specified Income) is derived from the Relevant Securities by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Securities using the funds and profits of such person's operations through a permanent establishment in Singapore.

Notwithstanding that the Relevant Issuer is permitted to make payments of Specified Income in respect of the Relevant Securities without deduction or withholding of tax under Section 45 or Section 45A of the ITA, any person whose interest (including distributions which are regarded as interest for Singapore income tax purposes), discount income, early redemption fee or redemption premium (i.e. the Specified Income) derived from the Relevant Securities is not exempt from tax is required to include such income in a return of income made under the ITA.

2. Taxation relating to payments on Perpetual Securities

A. Singapore tax classification of hybrid instruments

The ITA currently does not contain specific provisions on how financial instruments that exhibit both debt-like and equity-like features, i.e. hybrid instruments, should be treated for income tax purposes. However, the IRAS has published the e-Tax Guide: Income Tax Treatment of Hybrid Instruments (Second Edition) on 21 October 2019 (the "**Hybrid Instruments e-Tax Guide**") which sets out the income tax treatment of hybrid instruments, including the factors that the IRAS will generally use to determine whether such instruments are debt or equity instruments for income tax purposes.

Among others, the IRAS has stated in the Hybrid Instruments e-Tax Guide that:

(a) whether or not a hybrid instrument will be treated as debt or equity security for income tax purposes will firstly depend on its legal form, to be determined based on an examination of the legal rights and obligations attached to the instrument;

(b) a hybrid instrument is generally characterised as equity if the legal terms of the instrument indicate ownership interests in the issuer. If the legal form of a hybrid instrument is not indicative of or does not reflect the legal rights and obligations, the facts and circumstances surrounding the instrument and a combination of factors, not limited to the following, would have to be examined to ascertain the nature of the instrument for income tax purposes.

These factors include (but are not limited to):

(i) nature of interest acquired;

(ii) investor's right to participate in issuer's business;

(iii) voting rights conferred by the instrument;

(iv) obligation to repay the principal amount;

(v) payout;

(vi) investor's right to enforce payment;

(vii) classification by other regulatory authority; and

(viii) ranking for repayment in the event of liquidation or dissolution;

(c) if a hybrid instrument is characterised as a debt instrument for income tax purposes, distributions from the issuer to the investors are regarded as interest; and

(d) if a hybrid instrument issued by a company or a REIT (as defined in the ITA) is characterised as an equity instrument for income tax purposes, distributions from the issuer to the investors are regarded as either dividends or distributions. Where the dividend is paid by a company resident in Singapore, the dividend, being a one-tier dividend, is exempted from tax in the hands of the investor. In respect of distributions on instruments issued by a REIT, the distributions are taxable in the hands of the instrument holders being returns on investments, regardless of the underlying receipts from which the distributions are made by the REIT.

B. Application for tax ruling

The H-REIT Trustee may apply to the IRAS for an advance tax ruling to confirm the classification of any tranche of the Perpetual Securities for Singapore income tax purposes and the Singapore tax treatment of the payment of distributions (including Optional Distributions,) in respect of such tranche of the Perpetual Securities.

The H-REIT Manager will provide details of the tax ruling issued by the IRAS via an announcement on its website https://www.cdl.com.sg/ shortly after the receipt of the tax ruling.

3. Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Securities will not be taxable in Singapore. However, any gains derived by any person from the sale of the Securities which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

There are no specific laws or regulations which deal with the characterisation of capital gains. The characterisation of the gains arising from a sale of the Securities will depend on the individual facts and circumstances of the holder and relating to the sale of the Securities.

Holders of the Securities who apply or are required to apply the Singapore Financial Reporting Standard 109 ("**FRS 109**") or Singapore Financial Reporting Standard (International) 9 ("**SFRS(I) 9**") (as the case may be), may, for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Securities, irrespective of disposal, in accordance with FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on "Adoption of, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes".

4. Adoption of FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes

Section 34AA of the ITA requires taxpayers who adopt or who are required to adopt FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has issued an e-Tax guide entitled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments".

Holders of the Securities who may be subject to the tax treatment under Section 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Securities.

5. Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

SUBSCRIPTION, PURCHASE AND DISTRIBUTION

The Programme Agreement provides for Securities to be offered from time to time through one or more Dealers. The price at which a Series or Tranche will be issued will be determined prior to its issue between the Relevant Issuer and the relevant Dealer(s). The obligations of the Dealers under the Programme Agreement will be subject to certain conditions set out in the Programme Agreement. Each Dealer (acting as principal) will subscribe or procure subscribers for Securities from the Relevant Issuer pursuant to the Programme Agreement.

The Arranger, the Dealers or any of their respective affiliates may have performed certain banking and advisory services for the Issuers, H-REIT, HBT and/or their affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuers, H-REIT, HBT and/or their respective affiliates in the ordinary course of the Issuers' or their affiliates' business. The Relevant Issuer may from time to time agree with the relevant Dealer(s) that the Relevant Issuer may pay certain third-party commissions (including, without limitation, rebates to private banks as may be specified in the applicable Pricing Supplement).

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Relevant Issuer in such jurisdiction.

In connection with the issue of any Tranche of Securities, such Securities, when issued, may not have a market. The Dealer or Dealers (if any) may advise the Relevant Issuer that they intend to make a market in such Securities as permitted by applicable law. They are not obligated, however, to make a market in the Securities and any market-making may be discontinued at any time at their sole discretion. Accordingly, no assurance can be given as to the development or liquidity of any market for such Securities.

The Arranger, the Dealers or any of their respective affiliates may purchase Securities for its own account or enter into secondary market transactions or derivative transactions relating to the Securities, including, without limitation, purchase, sale (or facilitation thereof), stock borrowing or credit or equity-linked derivatives such as asset swaps, repackaging and credit default swaps, at the same time as the offering of the Securities. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Securities to which this Information Memorandum relates (notwithstanding that such selected counterparties may also be a purchaser of the Securities). As a result of such transactions, the Arranger, the Dealers or any of their respective affiliates may hold long or short positions relating to the Securities.

The Arranger, the Dealers and their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. Each of the Dealers may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuers or their respective subsidiaries, jointly controlled entities or associated companies from time to time. In the ordinary course of their various business activities, the Dealers and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuers, H-REIT, HBT or

their respective subsidiaries, jointly controlled entities or associated companies, including Securities issued under the Programme, may be entered into at the same time or proximate to offers and sales of Securities or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Securities. Securities issued under the Programme may be purchased by or be allocated to any Dealer or an affiliate for asset management and/or proprietary purposes whether or not with a view to later distribution.

Accordingly, references herein to the Securities being "offered" should be read as including any offering of the Securities to the Arranger, the Dealers and/or their respective affiliates for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so.

While the Arranger, the Dealers and/or any of their respective affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause the Arranger, the Dealers or any of their respective affiliates or its clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Securities. The Arranger, the Dealers or any of their respective affiliates may receive returns on such transactions and have no obligations to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Securities.

United States

The Securities have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the U.S. and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act ("**Regulation S**"), or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Bearer Securities are subject to U.S. tax law requirements and may not be offered, sold or delivered within the U.S. or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, except as permitted by the Programme Agreement, it will not offer or sell any Securities (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution of an identifiable Tranche of which such Securities are a part, as determined and certified to the Issuing and Paying Agent, or, in the case of an issue of Securities on a syndicated basis, the relevant lead manager, by such Dealer (or in the case of a sale of an identifiable Tranche of Securities to or through more than one Dealer, by such Dealers with respect to the Securities of an identifiable Tranche purchased by or through it, in which case the Issuing and Paying Agent shall notify each Dealer when all such Dealers have so certified), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

The Securities are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any identifiable Tranche of Securities, an offer or sale of Securities within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Securities specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the applicable Pricing Supplement in relation thereto to any retail investor in the European Economic Area (the "**EEA**"). For the purposes of this provision:

I. the expression "**retail investor**" means a person who is one (or more) of the following:

   (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**");

   (b) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

   (c) not a qualified investor as defined in the Prospectus Regulation; and

II. the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

If the Pricing Supplement in respect of any Securities specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the EEA (each, a "**Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Securities to the public in that Member State:

(a) if the Pricing Supplement in relation to the Securities specifies that an offer of those Securities may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Securities which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable and the Relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer(s) or Dealers nominated by the Relevant Issuer for any such offer; or

(d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Securities referred to in (b) to (d) above shall require the Relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Securities to the public**" in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended.

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Securities specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(i) the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**");

(b) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(c) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and

(ii) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

If the Pricing Supplement in respect of any Securities specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom except that it may make an offer of such Securities to the public in the United Kingdom:

(i) if the Pricing Supplement in relation to the Securities specify that an offer of those Securities may be made other than pursuant to Section 86 of the FSMA (a "**Public Offer**"), following the date of publication of a prospectus in relation to such Securities which has been approved by the Financial Conduct Authority provided that any such prospectus has subsequently

been completed by the Pricing Supplement contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable, and the Relevant Issuer has consented in writing to its use for the purpose of that Public Offer;

(ii) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(iii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer(s) or Dealers nominated by the Relevant Issuer for any such offer; or

(iv) at any time in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of Securities referred to in paragraphs (ii) to (iv) above shall require the Relevant Issuer or any Dealer to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression "**an offer of Securities to the public**" in relation to any Securities means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other regulatory restrictions

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

(a) in relation to any Securities which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Relevant Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Relevant Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to any thing done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

Hong Kong

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Securities, except for Securities which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**"), other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Information Memorandum has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, or (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Investors should note that there may be restrictions on the secondary sale of the Securities under Section 276 of the SFA.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Relevant Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Relevant Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Securities. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Relevant Issuer or any CMI (including its group companies) and inform the relevant Dealer(s) accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Information Memorandum and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Securities (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages. CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Relevant Issuer. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Securities. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Securities, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Dealer(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- the name of each underlying investor;

- a unique identification number for each investor;
- whether an underlying investor has any "Associations" (as used in the SFC Code);
- whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code); and
- whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Dealers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealer(s) may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealer(s) with such evidence within the timeline requested.

General

Each Dealer understands that no action has been or will be taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of the Information Memorandum, any document or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required. Each Dealer has agreed that (to the best of its knowledge and belief) it will comply with all applicable securities laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers Securities or any interest therein or rights in respect thereof or has in its possession or distributes the Information Memorandum, any other document or any Pricing Supplement.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Dealers or such affiliate on behalf of the Relevant Issuer in such jurisdiction.

GENERAL AND OTHER INFORMATION

SHARE CAPITAL OF THE HBT TRUSTEE-MANAGER

1. As at the Latest Practicable Date, there is only one class of ordinary shares in the HBT Trustee-Manager. The rights and privileges attached to the shares are stated in the Constitution of the HBT Trustee-Manager.

2. Save as disclosed below, no shares in, or debentures of, the HBT Trustee-Manager have been issued or are proposed to be issued, as fully or partly paid up, for cash or for a consideration other than cash, within the two years preceding the Latest Practicable Date.

3. The issued share capital of the HBT Trustee-Manager as at the date of this Information Memorandum is as follows:

Share Designation	***Issued Share(s)***	***Issued Share Capital***
		(S$)
Ordinary Shares	2	2

UNITS IN H-REIT

4. As at the date of this Information Memorandum, there is only one class of units in H-REIT. The rights and privileges attached to the units are stated in the H-REIT Trust Deed. Each unit of H-REIT is stapled to a corresponding unit of HBT pursuant to the Stapling Deed.

5. As at the Latest Practicable Date, there are 1,270,770,446 units of H-REIT issued and outstanding.

6. As at the Latest Practicable Date, CDL is the holder of 372,043,817 units (direct and deemed interest) of H-REIT.

UNITS IN HBT

7. As at the date of this Information Memorandum, there is only one class of units in HBT. The rights and privileges attached to the units are stated in the HBT Trust Deed. Each unit of HBT is stapled to a corresponding unit of H-REIT pursuant to the Stapling Deed.

8. As at the Latest Practicable Date, there are 1,270,770,446 units of HBT issued and outstanding.

9. As at the Latest Practicable Date, CDL is the holder of 372,043,817 units (direct and deemed interest) of HBT.

BORROWINGS

10. Save as disclosed in Appendix IV (including any related party loans from H-REIT to HBT), as at 30 June 2025, each of H-REIT and HBT had no other borrowings or indebtedness in the nature of borrowings including bank overdrafts, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

WORKING CAPITAL

11. The Directors of each of the Issuers are of the opinion that, after taking into account the present banking facilities and the net proceeds of the issue of the Securities, each of the Issuers will have adequate working capital for their present requirements.

CHANGES IN ACCOUNTING POLICIES

12. There has been no significant change in the accounting policies of CDLHT since its audited financial statements for the financial year ended 31 December 2024.

LITIGATION

13. Save as disclosed in this Information Memorandum, neither of the Issuers, H-REIT or HBT is engaged in any litigation or arbitration, either as plaintiff or defendant, and neither of the Issuers is aware of any proceedings pending or threatened against it or any of its subsidiaries (if any), the outcome of which, in the opinion of such Issuer, may materially and adversely affect the financial position of such Issuer and its subsidiaries (if any), taken as a whole.

MATERIAL ADVERSE CHANGE

14. There has been no material adverse change in the financial condition or business of each of the H-REIT Group or the HBT Group since 31 December 2024.

CONSENT

15. KPMG LLP has given and has not withdrawn their written consent to the issue of this Information Memorandum with the references herein to their name and, where applicable, reports in the form and context in which they appear in this Information Memorandum.

DOCUMENTS AVAILABLE FOR INSPECTION

16. Copies of the following documents may be inspected at the registered office of the H-REIT Manager and the HBT Trustee-Manager at 9 Raffles Place, #12-01 Republic Plaza, Singapore 048619 during normal business hours for a period of six months from the date of this Information Memorandum:

    (a) the Constitution of the H-REIT Manager and the HBT Trustee-Manager;

    (b) the H-REIT Trust Deed;

    (c) the HBT Trust Deed;

    (d) the Stapling Deed;

    (e) the Trust Deed;

(f) the audited accounts of CDLHT for the financial year ended 31 December 2023; and

(g) the audited accounts of CDLHT for the financial year ended 31 December 2024.

FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE

17. The functions, rights and obligations of the Trustee are set out in the Trust Deed.

LEGAL ENTITY IDENTIFIER

18. The legal entity identifier ("**LEI**") of the H-REIT Trustee is 254900LOUWQ60MRQQG96.

19. The LEI of the HBT Trustee-Manager is 254900200LNPF2J74F55.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF CDL HOSPITALITY TRUSTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The information in this Appendix II has been extracted and reproduced from the audited consolidated financial statements of the H-REIT Group, the HBT Group and the Stapled Group for the financial year ended 31 December 2023 and has not been specifically prepared for inclusion in this Information Memorandum.

FINANCIAL STATEMENTS

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REPORT OF THE TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST

The directors of M&C Business Trust Management Limited, the trustee-manager of CDL Hospitality Business Trust ("**HBT**") (the "**Trustee-Manager**") and its subsidiaries (collectively, the "**HBT Group**"), are pleased to present this report to the unitholders together with the audited financial statements for the financial year ended 31 December 2023.

DIRECTORS

The directors of the Trustee-Manager in office at the date of this report are as follows:

Chan Soon Hee, Eric	(Chairman)
Vincent Yeo Wee Eng	(Chief Executive Officer)
Foo Say Mui (Bill)	
Kenny Kim	
Cheah Sui Ling	
Kwek Eik Sheng	

DIRECTORS' INTEREST IN UNITS OR DEBENTURES

According to the register kept by the Trustee-Manager for the purposes of Sections 13 and 76 of the Business Trusts Act 2004 of Singapore (the "**BTA**"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children below 18 years of age) in units of HBT are as follows:

	Holdings at beginning of the year	Holdings at end of the year
Vincent Yeo Wee Eng	138,000	138,000
Kwek Eik Sheng	695,638	695,638

Except as disclosed in this report, no director who held office at the end of the financial year had interests in units of HBT either at the beginning or at the end of the financial year.

There were no changes in the abovementioned interests of HBT between the end of the financial year and 21 January 2024.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE UNITS AND DEBENTURES

Neither at the end of, nor at any time during the financial year, was the Trustee-Manager a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in or debentures of HBT.

DIRECTORS' CONTRACTUAL BENEFITS

During the financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Trustee-Manager, on behalf of HBT or a related corporation with the director, or with a firm of which such director is a member or with a company in which such director has a substantial financial interest.

OPTIONS

During the financial year, there were:

(i) no options granted by the Trustee-Manager to any person to take up unissued units in HBT; and

(ii) no units issued by virtue of any exercise of option to take up unissued units of HBT.

As at the end of the financial year, there were no unissued units of HBT under options.

REPORT OF THE TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST

AUDIT AND RISK COMMITTEE

The members of the Audit and Risk Committee at the date of this statement are:

- Foo Say Mui (Bill) (Chairman), Independent, non-executive director
- Kenny Kim, Independent, non-executive director
- Cheah Sui Ling, Independent, non-executive director

The Audit and Risk Committee performs the functions specified in Section 201B of the Companies Act 1967, Regulation 13(6) of the Business Trusts Regulations 2005, the Listing Manual of Singapore Exchange Securities Trading Limited (the "**SGX Listing Manual**") and the Code of Corporate Governance.

The Audit and Risk Committee has held four meetings since the last report of the Trustee-Manager. In performing its functions, the Audit and Risk Committee met with HBT's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the HBT's internal accounting control system.

The Audit and Risk Committee also reviewed the following:

- assistance provided by HBT's officers to the internal and external auditors;
- quarterly financial information and annual financial statements of HBT prior to their submission to the directors of the Trustee-Manager for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit and Risk Committee has full access to the Trustee-Manager and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit and Risk Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit and Risk Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors of the Trustee-Manager that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of HBT.

In appointing our auditors for the HBT Group, we have complied with Rules 712 and 715 of the SGX Listing Manual.

AUDITORS

The auditors, KPMG LLP, have expressed their willingness to accept re-appointment.

STATEMENT BY THE TRUSTEE-MANAGER

In our opinion:

(a) the consolidated financial statements of the HBT Group set out on pages 168 to 275 are drawn up so as to give a true and fair view of the state of affairs of the HBT Group as at 31 December 2023 and the financial performance, movements in unitholders' funds and cash flows of the HBT Group for the year ended on that date in accordance with the provisions of the BTA and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, there are reasonable grounds to believe that the HBT Group will be able to pay its debts as and when they fall due.

REPORT OF THE TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST

In accordance with Section 86(2) of the BTA, the directors of the Trustee-Manager further certify that:

- fees or charges paid or payable out of the trust property of the HBT Group to the Trustee-Manager are in accordance with HBT's trust deed dated 12 June 2006 (as amended);
- interested person transactions are not detrimental to the interests of all the unitholders as a whole based on the circumstances at the time of the transaction; and
- the Board of Directors is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the HBT Group or on the interests of all the unitholders as a whole.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

For and on behalf of the Board of Directors of the Trustee-Manager,
M&C Business Trust Management Limited

Chan Soon Hee, Eric
Director

Vincent Yeo Wee Eng
Director

26 March 2024

STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER

In accordance with Section 86 of the BTA, I certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of HBT Group or on the interests of all the unitholders of HBT as a whole.

Vincent Yeo Wee Eng
Chief Executive Officer

26 March 2024

REPORT OF THE TRUSTEE OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST

DBS Trustee Limited (the "**H-REIT Trustee**") is under a duty to take into custody and hold the assets of CDL Hospitality Real Estate Investment Trust ("**H-REIT**") held by it or through its subsidiaries (collectively, the "**H-REIT Group**") in trust for the holders of units in H-REIT. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the H-REIT Trustee shall monitor the activities of M&C REIT Management Limited (the "**H-REIT Manager**") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 8 June 2006 (as amended) (the "**H-REIT Trust Deed**") between the H-REIT Manager and the H-REIT Trustee in each annual accounting period; and report thereon to unitholders in an annual report.

To the best knowledge of the H-REIT Trustee, the H-REIT Manager has, in all material respects, managed the H-REIT Group during the period covered by these financial statements set out on pages 168 to 275, in accordance with the limitations imposed on the investment and borrowing powers set out in the H-REIT Trust Deed.

For and on behalf of the H-REIT Trustee,
DBS Trustee Limited

Chan Kim Lim
Director

26 March 2024

REPORT OF THE MANAGER OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST

In the opinion of M&C REIT Management Limited (the "**H-REIT Manager**"), the Manager of CDL Hospitality Real Estate Investment Trust ("**H-REIT**"), the accompanying consolidated financial statements of H-REIT and its subsidiaries (collectively, the "**H-REIT Group**"), and CDL Hospitality Trusts (the "**Stapled Group**", comprising the H-REIT Group and HBT Group) set out on pages 168 to 275, comprising the statement of financial position, statement of total return, statement of movements in unitholders' funds, portfolio statement and statement of cash flows of the H-REIT Group; the statement of financial position, statement of total return, statement of movements in unitholders' funds, distribution statement, portfolio statement and statement of cash flows of the Stapled Group; and notes to the financial statements, are drawn up so as to present fairly, in all material respects, the financial positions and portfolio holdings of the H-REIT Group and the Stapled Group as at 31 December 2023 and the financial performance, movements in unitholders' funds and cash flows of the H-REIT Group and the financial performance, movements in unitholders' funds, distributable income and cash flows of the Stapled Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants and the provisions of H-REIT's trust deed between DBS Trustee Limited (the "**H-REIT Trustee**") and the H-REIT Manager dated 8 June 2006 (as amended) and the stapling deed of CDL Hospitality Trusts between the H-REIT Trustee, the H-REIT Manager and M&C Business Trust Management Limited (the Trustee-Manager of HBT) dated 12 June 2006 (as amended). At the date of this statement, there are reasonable grounds to believe that the H-REIT Group and the Stapled Group will be able to meet their respective financial obligations as and when they materialise.

For and on behalf of the H-REIT Manager,
M&C REIT Management Limited

Vincent Yeo Wee Eng
Director

26 March 2024

INDEPENDENT AUDITORS' REPORT

UNITHOLDERS

CDL Hospitality Business Trust
(Constituted under a Trust Deed in the Republic of Singapore)
CDL Hospitality Real Estate Investment Trust
(Constituted under a Trust Deed in the Republic of Singapore)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited:

(i) the consolidated financial statements of CDL Hospitality Business Trust ("**HBT**") and its subsidiaries (the "**HBT Group**"), which comprise the statement of financial position as at 31 December 2023, the statement of profit or loss, statement of comprehensive income, statement of movements in unitholders' funds and statement of cash flows of the HBT Group for the year then ended, and notes to the financial statements, including a summary of material accounting policy information;

(ii) the consolidated 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 31 December 2023, the statement of total return, statement of movements in unitholders' funds and statement of cash flows of the H-REIT Group for the year then ended, and notes to the financial statements, including a summary of material accounting policy information; and

(iii) the consolidated financial statements of CDL Hospitality Trusts, which comprise the statement of financial position and portfolio statement as at 31 December 2023, the statement of total return, distribution statement, statement of movements in unitholders' funds and statement of cash flows of CDL Hospitality Trusts for the year then ended, and notes to the financial statements, including a summary of material accounting policy information;

as set out on pages 168 to 275. CDL Hospitality Trusts, which comprises the HBT Group and the H-REIT Group, is hereinafter referred to as the "**Stapled Group**".

In our opinion:

(a) the accompanying consolidated financial statements of the HBT Group are properly drawn up in accordance with the provisions of the Business Trusts Act 2004 of Singapore (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") so as to give a true and fair view of the financial position of the HBT Group as at 31 December 2023 and the financial performance, movements in unitholders' funds and cash flows of the HBT Group for the year ended on that date; and

(b) the accompanying consolidated financial statements of the H-REIT Group and the Stapled Group present fairly, in all material respects, the financial position and portfolio holdings of the H-REIT Group and the Stapled Group as at 31 December 2023 and the financial performance, movements in unitholders' funds and cash flows of the H-REIT Group and the financial performance, movements in unitholders' funds, distributable income and cash flows of the Stapled Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice ("**RAP**") 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants ("**ISCA**").

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the *'Auditors' responsibilities for the audit of the consolidated financial statements'* section of our report. We are independent of the HBT Group, the H-REIT Group and the Stapled Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties and investment property under development
(Refer to Note 4 and Note 5 to the consolidated financial statements)

The key audit matter

As at 31 December 2023, the Stapled Group, the H-REIT Group and the HBT Group own properties which are classified as investment properties and/or investment property under development with a total carrying value of $2.4 billion, $2.8 billion and $131.4 million respectively. Investment properties and investment property under development represent significant asset items on the statements of financial position.

The accounting policy of the Stapled Group, the H-REIT Group and the HBT Group is to state investment properties and investment property under development at fair value based on independent external valuations. The valuation process involves significant judgement in determining the valuation method to be used and in estimating the underlying assumptions to be applied. The valuations are sensitive to the key assumptions applied and a change in assumptions could have a significant impact to the valuation.

Our response

We assessed the qualifications and objectivity of the external valuers. We held discussions with the valuers to understand their valuation methods, assumptions and basis used. We considered the valuation methodologies used against those applied for similar property types by other valuers. We evaluated the reasonableness of the key assumptions used in the valuations which included a comparison of the assumptions against historical rates and available industry data, taking into consideration comparability and market factors.

Our findings

The valuers are members of recognised professional bodies for valuers. The valuation methodology and key assumptions used by the valuers are in line with generally accepted market practices and comparable to available industry data.

Valuation of property, plant and equipment
(Refer to Note 6 to the consolidated financial statements)

The key audit matter

As at 31 December 2023, the Stapled Group, the H-REIT Group and the HBT Group own hotels classified as property, plant and equipment with a total carrying value of $814.6 million, $71.8 million and $288.4 million respectively. Property, plant and equipment represent a significant asset item on the statements of financial position.

The accounting policy of the Stapled Group, the H-REIT Group and the HBT Group is to revalue freehold land, leasehold land and buildings included as part of property, plant and equipment to their fair value at the reporting date based on independent external valuations. The valuation process involves significant judgement in determining the valuation method to be used and in estimating the underlying assumptions to be applied. The valuations are sensitive to the key assumptions applied and a change in assumptions could have a significant impact to the valuation.

Our response

We assessed the qualifications and objectivity of the external valuers. We held discussions with the valuers to understand their valuation methods, assumptions and basis used. We considered the valuation methodologies used against those applied for similar property types by other valuers. We evaluated the reasonableness of the key assumptions used in the valuations which included a comparison of the assumptions against historical rates and available industry data, taking into consideration comparability and market factors.

INDEPENDENT AUDITORS' REPORT

Our findings

The valuers are members of recognised professional bodies for valuers. The valuation methodology and key assumptions used by the valuers are in line with generally accepted market practices and comparable to available industry data.

Other information

M&C Business Trust Management Limited, the Trustee-Manager of HBT (the "**HBT Trustee-Manager**") and M&C REIT Management Limited, the Manager of H-REIT (the "**H-REIT Manager**") are responsible for the other information. The other information is defined as all information in the annual report other than the financial statements and our auditors' reports thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the HBT Trustee-Manager for the consolidated financial statements

The HBT Trustee-Manager is responsible for the preparation of consolidated financial statements of the HBT Group that gives a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets that are part of the trust property of the registered business trust are safeguarded against loss from unauthorised use or disposition; and transactions by the HBT Trustee-Manager entered into on behalf of or purported to be entered into on behalf of the registered business trust are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, the HBT Trustee-Manager is responsible for assessing the ability of the HBT Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the HBT Trustee-Manager either intends to terminate the HBT Group or to cease the operations of the HBT Group, or has no realistic alternative but to do so.

The HBT Trustee-Manager's responsibilities include overseeing the HBT Group's financial reporting process.

Responsibilities of the H-REIT Manager for the consolidated financial statements

The H-REIT Manager is responsible for the preparation and fair presentation of the consolidated financial statements of the H-REIT Group and the Stapled Group in accordance with the recommendations of RAP 7 issued by ISCA, and for such internal controls as the H-REIT Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the H-REIT Manager is responsible for assessing the ability of the H-REIT Group and the Stapled Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the H-REIT Manager either intends to terminate the H-REIT Group and the Stapled Group or to cease the operations of the H-REIT Group and the Stapled Group, or has no realistic alternative but to do so.

The H-REIT Manager's responsibilities include overseeing the financial reporting process of the H-REIT Group and of the Stapled Group.

INDEPENDENT AUDITORS' REPORT

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the HBT Group, the H-REIT Group and the Stapled Group.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the HBT Trustee-Manager and the H-REIT Manager.

- Conclude on the appropriateness of the use of the going concern basis of accounting by the HBT Trustee-Manager and the H-REIT Manager and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the HBT Group, the H-REIT Group and the Stapled Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the HBT Group, the H-REIT Group and the Stapled Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the HBT Group, the H-REIT Group and the Stapled Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the HBT Trustee-Manager and the H-REIT Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the HBT Trustee-Manager and the H-REIT Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the HBT Trustee-Manager and the H-REIT Manager, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the HBT Trustee-Manager on behalf of HBT have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Karen Lee Shu Pei.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
26 March 2024

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

	Note	HBT Group 2023 $'000	HBT Group 2022 $'000	H-REIT Group 2023 $'000	H-REIT Group 2022 $'000	Stapled Group 2023 $'000	Stapled Group 2022 $'000
Non-current assets							
Investment properties	4	–	–	2,750,215	2,631,976	2,232,899	2,104,672
Investment property under development	5	131,423	59,660	–	–	131,423	59,660
Property, plant and equipment	6	288,444	284,416	71,814	67,399	814,611	783,250
Finance lease receivables	7	–	–	4,345	1,327	4,345	1,327
Deferred tax assets	13	721	426	751	737	1,472	1,162
Financial derivative assets	11	–	–	8,300	26,336	8,300	26,336
Other receivables	8	529	529	145,801	87,078	677	677
		421,117	345,031	2,981,226	2,814,853	3,193,727	2,977,084
Current assets							
Inventories		2,451	2,391	–	–	2,451	2,391
Finance lease receivables	7	–	–	800	476	800	476
Trade and other receivables	8	23,705	22,410	45,997	41,163	27,446	26,228
Financial derivative assets	11	–	–	6,210	83	6,210	83
Cash and cash equivalents	9	14,798	25,549	57,202	71,379	72,000	96,928
		40,954	50,350	110,209	113,101	108,907	126,106
Total assets		462,071	395,381	3,091,435	2,927,954	3,302,634	3,103,190
Non-current liabilities							
Loans and borrowings	10	352,768	300,170	834,679	868,969	941,683	972,439
Financial derivative liabilities	11	–	–	1,476	–	1,476	–
Other payables	12	74	77	11,665	11,606	11,739	11,683
Deferred tax liabilities	13	23,886	17,155	16,429	7,959	43,151	25,878
		376,728	317,402	864,249	888,534	998,049	1,010,000
Current liabilities							
Loans and borrowings	10	8,896	8,010	348,173	239,390	348,313	239,484
Trade and other payables	12	67,221	59,831	45,088	35,144	60,260	49,848
Financial derivative liabilities	11	–	–	30	163	30	163
Provision for taxation		2,870	3,127	6,850	7,424	9,720	10,551
		78,987	70,968	400,141	282,121	418,323	300,046
Total liabilities		455,715	388,370	1,264,390	1,170,655	1,416,372	1,310,046
Net assets		6,356	7,011	1,827,045	1,757,299	1,886,262	1,793,144
Represented by:							
Unitholders' funds		6,356	7,011	1,819,229	1,750,373	1,878,446	1,786,218
Non-controlling interests	14	–	–	7,816	6,926	7,816	6,926
		6,356	7,011	1,827,045	1,757,299	1,886,262	1,793,144
Units/Stapled Securities in issue ('000)	15	1,245,832	1,237,020	1,245,832	1,237,020	1,245,832	1,237,020
Net asset value per Unit/ Stapled Security ($)	16	0.0051	0.0056	1.45	1.41	1.50	1.44

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

STATEMENT OF PROFIT OR LOSS OF THE HBT GROUP STATEMENTS OF TOTAL RETURN OF THE H-REIT GROUP AND THE STAPLED GROUP

Year ended 31 December 2023

	Note	HBT Group		H-REIT Group		Stapled Group	
		2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Revenue	17	141,985	129,170	144,712	129,584	257,556	229,356
Property expenses							
Operations and maintenance expenses		(30,280)	(28,760)	–	–	(30,280)	(28,760)
Employee benefit expenses		(45,214)	(40,432)	–	–	(45,214)	(40,432)
Rental expenses		(17,310)	(17,152)	–	–	(59)	(104)
Property tax		(1,374)	(1,650)	(6,931)	(4,429)	(8,305)	(6,079)
Other property expenses		(28,446)	(23,439)	(9,118)	(6,823)	(35,394)	(30,262)
		(122,624)	(111,433)	(16,049)	(11,252)	(119,252)	(105,637)
Net property income		19,361	17,737	128,663	118,332	138,304	123,719
H-REIT Manager's management fee	18	–	–	(12,639)	(11,702)	(12,639)	(11,702)
H-REIT Trustee's fee		–	–	(409)	(375)	(409)	(375)
HBT Trustee-Manager's management fee	18	(1,188)	(1,015)	–	–	(1,188)	(1,015)
HBT Trustee-Manager's trustee fee		(305)	(272)	–	–	(305)	(272)
Valuation fee		(53)	(42)	(208)	(149)	(261)	(191)
Depreciation	20	(16,471)	(16,771)	(1,877)	(1,487)	(21,931)	(20,984)
Other expenses		(2,024)	(889)	(3,302)	(4,199)	(5,269)	(5,086)
Finance income		86	8,133	7,188	43,177	849	40,644
Finance costs		(16,531)	(8,856)	(58,023)	(38,912)	(63,310)	(45,080)
Net finance (costs)/income	19	(16,445)	(723)	(50,835)	4,265	(62,461)	(4,436)
Net (loss)/income before fair value adjustment		(17,125)	(1,975)	59,393	104,685	33,841	79,658
Reversal of revaluation deficit/ (Revaluation deficit) on property, plant and equipment		3,158	(3,667)	–	409	943	13,250
Net fair value gain on investment properties and investment property under development		6,735	6,374	80,787	142,788	106,972	130,262
(Loss)/Profit/Total return for the year before tax	20	(7,232)	732	140,180	247,882	141,756	223,170
Tax expense	21	(4,779)	(3,958)	(10,949)	(4,022)	(17,791)	(7,778)
(Loss)/Total return for the year	22	(12,011)	(3,226)	129,231	243,860	123,965	215,392
(Loss)/Total return attributable to:							
Unitholders		(12,011)	(3,226)	128,478	243,743	123,212	215,275
Non-controlling interests	14	–	–	753	117	753	117
		(12,011)	(3,226)	129,231	243,860	123,965	215,392
Earnings per Stapled Security (cents)	23						
Basic						9.91	17.43
Diluted						9.84	17.35

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

STATEMENT OF COMPREHENSIVE INCOME OF THE HBT GROUP

Year ended 31 December 2023

	HBT Group	
	2023	2022
	$'000	$'000
Loss for the year	(12,011)	(3,226)
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Revaluation surplus/(deficit) on property, plant and equipment	9,251	(7,679)
Tax effect on revaluation of property, plant and equipment	(3,144)	(3,376)
	6,107	(11,055)
Items that are or may be reclassified subsequently to profit or loss:		
Translation differences relating to financial statements of foreign subsidiaries	4,867	(11,978)
Exchange differences on monetary items forming part of net investment in foreign operations	2,867	(10,245)
Exchange differences on hedge of net investments in foreign operations	(1,623)	7,835
	6,111	(14,388)
Other comprehensive income for the year, net of tax	12,218	(25,443)
Total comprehensive income for the year	207	(28,669)

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2023

HBT 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
At 1 January 2023	108,643	(121)	5,819	(7,699)	(99,631)	7,011
Operations						
- Decrease in net assets resulting from operations	–	–	–	–	(12,011)	(12,011)
Revaluation reserve						
- Revaluation surplus on property, plant and equipment	–	–	9,251	–	–	9,251
- Tax effect on revaluation of property, plant and equipment	–	–	(3,144)	–	–	(3,144)
Foreign currency translation reserve						
- Translation differences relating to financial statements of foreign subsidiaries	–	–	–	4,867	–	4,867
- Exchange differences on monetary items forming part of net investment in foreign operations	–	–	–	2,867	–	2,867
- Exchange differences on hedge of net investments in foreign operations	–	–	–	(1,623)	–	(1,623)
Other comprehensive income	–	–	6,107	6,111	–	12,218
Total comprehensive income	–	–	6,107	6,111	(12,011)	207
Transactions with owners, recorded directly in equity						
- Distributions to holders of Stapled Securities	(1,105)	–	–	–	(707)	(1,812)
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	950	–	–	–	–	950
Total transactions with owners	(155)	–	–	–	(707)	(862)
At 31 December 2023	108,488	(121)	11,926	(1,588)	(112,349)	6,356

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2023

H-REIT GROUP

	Attributable to Stapled Security Holders $'000	Non-controlling interests $'000	Total $'000
At 1 January 2023	1,750,373	6,926	1,757,299
Operations			
- Increase in net assets resulting from operations	128,478	753	129,231
Revaluation reserve			
- Revaluation surplus on property, plant and equipment	10,407	–	10,407
- Tax effect on revaluation of property, plant and equipment	(1,820)	–	(1,820)
Foreign currency translation reserve			
- Translation differences relating to financial statements of foreign subsidiaries	(7,370)	137	(7,233)
- Exchange differences on monetary items forming part of net investment in foreign operations	546	–	546
- Exchange differences on hedge of net investments in foreign operations	2,378	–	2,378
Other comprehensive income	4,141	137	4,278
Total comprehensive income	132,619	890	133,509
Transactions with owners, recorded directly in equity			
- Distributions to holders of Stapled Securities	(73,874)	–	(73,874)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	10,111	–	10,111
Total transactions with owners	(63,763)	–	(63,763)
At 31 December 2023	1,819,229	7,816	1,827,045

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2023

STAPLED GROUP

	Attributable to Stapled Security Holders $'000	Non-controlling interests $'000	Total $'000
At 1 January 2023	1,786,218	6,926	1,793,144
Operations			
- Increase in net assets resulting from operations	123,212	753	123,965
Revaluation reserve			
- Revaluation surplus on property, plant and equipment	40,152	–	40,152
- Tax effect on revaluation of property, plant and equipment	(4,964)	–	(4,964)
Foreign currency translation reserve			
- Translation differences relating to financial statements of foreign subsidiaries	(2,921)	137	(2,784)
- Exchange differences on monetary items forming part of net investment in foreign operations	3,413	–	3,413
- Exchange differences on hedge of net investments in foreign operations	(2,039)	–	(2,039)
Other comprehensive income	33,641	137	33,778
Total comprehensive income	156,853	890	157,743
Transactions with owners, recorded directly in equity			
- Distributions to holders of Stapled Securities	(75,686)	–	(75,686)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	10,111	–	10,111
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	950	–	950
Total transactions with owners	(64,625)	–	(64,625)
At 31 December 2023	1,878,446	7,816	1,886,262

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2023

HBT GROUP

	Units in issue and to be issued	Issue expenses	Revaluation reserve	Foreign currency translation reserve	Accumulated losses	Total
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 January 2022	111,947	(121)	16,874	6,689	(96,405)	38,984
Operations						
- Decrease in net assets resulting from operations	–	–	–	–	(3,226)	(3,226)
Revaluation reserve						
- Revaluation deficit on property, plant and equipment	–	–	(7,679)	–	–	(7,679)
- Tax effect on revaluation of property, plant and equipment	–	–	(3,376)	–	–	(3,376)
Foreign currency translation reserve						
- Translation differences relating to financial statements of foreign subsidiaries	–	–	–	(11,978)	–	(11,978)
- Exchange differences on monetary items forming part of net investment in foreign operations	–	–	–	(10,245)	–	(10,245)
- Exchange differences on hedge of net investments in foreign operations	–	–	–	7,835	–	7,835
Other comprehensive income	–	–	(11,055)	(14,388)	–	(25,443)
Total comprehensive income	–	–	(11,055)	(14,388)	(3,226)	(28,669)
Transactions with owners, recorded directly in equity						
- Distributions to holders of Stapled Securities	(4,116)	–	–	–	–	(4,116)
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	812	–	–	–	–	812
Total transactions with owners	(3,304)	–	–	–	–	(3,304)
At 31 December 2022	108,643	(121)	5,819	(7,699)	(99,631)	7,011

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2023

H-REIT GROUP

	Attributable to Stapled Security Holders	Non-controlling interests	Total
	$'000	$'000	$'000
At 1 January 2022	1,573,852	7,292	1,581,144
Operations			
- Increase in net assets resulting from operations	243,743	117	243,860
Revaluation reserve			
- Revaluation surplus on property, plant and equipment	6,029	–	6,029
- Tax effect on revaluation of property, plant and equipment	(1,124)	–	(1,124)
Foreign currency translation reserve			
- Translation differences relating to financial statements of foreign subsidiaries	(26,709)	(483)	(27,192)
- Exchange differences on monetary items forming part of net investment in foreign operations	(6,436)	–	(6,436)
- Exchange differences on hedge of net investments in foreign operations	10,427	–	10,427
Other comprehensive income	(17,813)	(483)	(18,296)
Total comprehensive income	225,930	(366)	225,564
Transactions with owners, recorded directly in equity			
- Distributions to holders of Stapled Securities	(58,771)	–	(58,771)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	9,362	–	9,362
Total transactions with owners	(49,409)	–	(49,409)
At 31 December 2022	1,750,373	6,926	1,757,299

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2023

STAPLED GROUP

	Attributable to Stapled Security Holders	Non-controlling interests	Total
	$'000	$'000	$'000
At 1 January 2022	1,635,334	7,292	1,642,626
Operations			
- Increase in net assets resulting from operations	215,275	117	215,392
Revaluation reserve			
- Revaluation surplus on property, plant and equipment	19,300	–	19,300
- Tax effect on revaluation of property, plant and equipment	(4,500)	–	(4,500)
Foreign currency translation reserve			
- Translation differences relating to financial statements of foreign subsidiaries	(39,467)	(483)	(39,950)
- Exchange differences on monetary items forming part of net investment in foreign operations	(16,681)	–	(16,681)
- Exchange differences on hedge of net investments in foreign operations	29,670	–	29,670
Other comprehensive income	(11,678)	(483)	(12,161)
Total comprehensive income	203,597	(366)	203,231
Transactions with owners, recorded directly in equity			
- Distributions to holders of Stapled Securities	(62,887)	–	(62,887)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	9,362	–	9,362
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	812	–	812
Total transactions with owners	(52,713)	–	(52,713)
At 31 December 2022	1,786,218	6,926	1,793,144

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 the 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 consolidated financial statements.

DISTRIBUTION STATEMENT

Year ended 31 December 2023

	Note	Stapled Group 2023 $'000	2022 $'000
Amount available for distribution to holders of Stapled Securities at the beginning of the year		43,413	36,587
Total return of H-REIT	22	141,424	223,185
Loss of HBT	22	(3,658)	(24,660)
Net tax adjustments (Note A)		(73,032)	(128,146)
		64,734	70,379
Less: Amount retained for working capital		(6,473)	(7,038)
Add: Capital distribution		12,709	6,372
Amount available for distribution to holders of Stapled Securities		114,383	106,300
Distribution to holders of Stapled Securities:			
Distribution of 3.06 cents per Stapled Security for the period from 1/7/2021 to 31/12/2021		–	(37,677)
Distribution of 2.04 cents per Stapled Security for the period from 1/1/2022 to 30/6/2022		–	(25,210)
Distribution of 3.59 cents per Stapled Security for the period from 1/7/2022 to 31/12/2022		(44,452)	–
Distribution of 2.51 cents per Stapled Security for the period from 1/1/2023 to 30/6/2023		(31,234)	–
		(75,686)	(62,887)
Amount available for distribution to holders of Stapled Securities at the end of the year		38,697	43,413
Distribution per Stapled Security (DPS) (cents) [1]		5.70	5.63
Note A – Net tax adjustments comprise:			
Non-tax deductible/(chargeable) items:			
- Amortisation of transaction costs		1,993	2,050
- Fair value loss/(gain) on financial derivatives		13,333	(40,196)
- Financial expense arising from accretion of non-current rental deposits measured at amortised cost		271	261
- Foreign exchange gain		(1,728)	(2,958)
- Impairment loss on investment in subsidiaries (net)		6,592	42,686
- H-REIT Manager's management fee paid/payable in Stapled Securities		10,111	9,362
- H-REIT Trustee's fee		409	375
- HBT Trustee-Manager's management fee paid/payable in Stapled Securities		950	812
- HBT Trustee-Manager's trustee fee		305	272
- Net fair value gain on investment properties		(121,223)	(146,809)
- Other items		15,955	5,999
Net tax adjustments		(73,032)	(128,146)

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

(1) The DPS relates to the distributions in respect of the relevant financial year. The distribution for the second half of the financial year will be made subsequent to the financial year end.

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

PORTFOLIO STATEMENTS
As at 31 December 2023

H-REIT GROUP

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2023 [1]	Carrying value at 31/12/2022 [1]	Percentage of total net assets at 31/12/2023	Percentage of total net assets at 31/12/2022
						$'000	$'000	%	%
Investment properties									
Singapore									
Orchard Hotel	Freehold [2]	75 years	58 years	442 Orchard Road	Hotel	515,000	478,000	28.2	27.2
Claymore Connect	Freehold [2]	75 years	58 years	442 Orchard Road	Retail	110,000	100,000	6.0	5.7
Grand Copthorne Waterfront Hotel	Freehold [2]	75 years	58 years	392 Havelock Road	Hotel	420,000	377,000	23.0	21.5
M Hotel	Freehold [2]	75 years	58 years	81 Anson Road	Hotel	271,000	259,000	14.8	14.7
Copthorne King's Hotel	Leasehold	99 years from 1 February 1968	43 years	403 Havelock Road	Hotel	146,000	129,000	8.0	7.3
Studio M Hotel	Leasehold	99 years from 26 February 2007	82 years	3 Nanson Road	Hotel	206,000	187,500	11.3	10.7
W Singapore – Sentosa Cove	Leasehold	99 years from 31 October 2006	82 years	21 Ocean Way	Hotel	396,227	390,349	21.7	22.2
Balance carried forward						2,064,227	1,920,849	113.0	109.3

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

PORTFOLIO STATEMENTS
As at 31 December 2023

H-REIT GROUP (CONT'D)

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2023 [1] $'000	Carrying value at 31/12/2022 [1] $'000	Percentage of total net assets at 31/12/2023 %	Percentage of total net assets at 31/12/2022 %
Balance brought forward						2,064,227	1,920,849	113.0	109.3
Germany									
Pullman Hotel Munich	Freehold	–	–	Theodor-Dombart-Strasse 4, Munich	Hotel	152,935	149,337	8.4	8.5
Italy									
Hotel Cerretani Firenze – MGallery	Freehold	–	–	Via De Cerretani 68, Florence	Hotel	66,398	57,415	3.6	3.3
New Zealand									
Grand Millennium Auckland	Freehold	–	–	71 – 87 Mayoral Drive, Auckland	Hotel	176,248	199,304	9.6	11.3
Australia									
Ibis Perth	Freehold	–	–	334 Murray Street, Perth	Hotel	26,571	27,470	1.5	1.6
Mercure Perth	Freehold	–	–	10 Irwin Street, Perth	Hotel	35,578	39,568	1.9	2.3
Maldives									
Angsana Velavaru	Leasehold	99 years from 26 August 1997	73 years	South Nilandhe Atoll	Resort	89,769	94,807	4.9	5.4
Raffles Maldives Meradhoo	Leasehold	99 years from 15 June 2006	81 years	Gaafu Alifu Atoll	Resort	58,940	69,917	3.2	3.9
United Kingdom									
Hotel Brooklyn	Leasehold	197 years from 7 May 2021	194 years	57 & 59 Portland Street, Manchester	Hotel	79,549	73,309 [3]	4.4	4.2
Investment properties						2,750,215	2,631,976	150.5	149.8

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

PORTFOLIO STATEMENTS
As at 31 December 2023

H-REIT GROUP (CONT'D)

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2023 [1]	Carrying value at 31/12/2022 [1]	Percentage of total net assets at 31/12/2023	Percentage of total net assets at 31/12/2022
						$'000	$'000	%	%
Property, plant and equipment									
Japan									
Hotel MyStays Asakusabashi	Freehold	–	–	1-5-5 Asakusabashi, Taito-ku, Tokyo, Japan	Hotel	42,501	39,164	2.3	2.2
Hotel MyStays Kamata	Freehold	–	–	5-46-5 Kamata, Ota-ku, Tokyo, Japan	Hotel	28,086	27,830	1.5	1.6
Other plant and equipment	–	–	–	–	–	1,227	405	0.1	0.0
Property, plant and equipment						71,814	67,399	3.9	3.8
Investment properties and property, plant and equipment						2,822,029	2,699,375	154.4	153.6
Other assets and liabilities (net)						(994,984)	(942,076)	(54.4)	(53.6)
Net assets of the H-REIT Group						1,827,045	1,757,299	100.0	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) The acquisition of Hotel Brooklyn was completed on 22 February 2022 (Note 29).

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

PORTFOLIO STATEMENTS
As at 31 December 2023

STAPLED GROUP

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2023 [1] $'000	Carrying value at 31/12/2022 [1] $'000	Percentage of total net assets at 31/12/2023 %	Percentage of total net assets at 31/12/2022 %
Investment properties and investment property under development									
Singapore									
Orchard Hotel	Freehold [2]	75 years	58 years	442 Orchard Road	Hotel	515,000	478,000	27.3	26.7
Claymore Connect	Freehold [2]	75 years	58 years	442 Orchard Road	Retail	110,000	100,000	5.8	5.6
Grand Copthorne Waterfront Hotel	Freehold [2]	75 years	58 years	392 Havelock Road	Hotel	420,000	377,000	22.3	21.0
M Hotel	Freehold [2]	75 years	58 years	81 Anson Road	Hotel	271,000	259,000	14.4	14.4
Copthorne King's Hotel	Leasehold	99 years from 1 February 1968	43 years	403 Havelock Road	Hotel	146,000	129,000	7.7	7.2
Studio M Hotel	Leasehold	99 years from 26 February 2007	82 years	3 Nanson Road	Hotel	206,000	187,500	10.9	10.5
Balance carried forward						1,668,000	1,530,500	88.4	85.4

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

PORTFOLIO STATEMENTS
As at 31 December 2023

STAPLED GROUP (CONT'D)

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2023 [1]	Carrying value at 31/12/2022 [1]	Percentage of total net assets at 31/12/2023	Percentage of total net assets at 31/12/2022
						$'000	$'000	%	%
Balance brought forward						1,668,000	1,530,500	88.4	85.4
Germany									
Pullman Hotel Munich	Freehold	–	–	Theodor-Dombart-Strasse 4, Munich	Hotel	152,935	149,337	8.1	8.3
Italy									
Hotel Cerretani Firenze – MGallery	Freehold	–	–	Via De Cerretani 68, Florence	Hotel	66,398	57,415	3.5	3.2
New Zealand									
Grand Millennium Auckland	Freehold	–	–	71 – 87 Mayoral Drive, Auckland	Hotel	176,248	199,304	9.3	11.1
Maldives									
Angsana Velavaru	Leasehold	99 years from 26 August 1997	73 years	South Nilandhe Atoll	Resort	89,769	94,807	4.8	5.3
United Kingdom									
Hotel Brooklyn	Leasehold	197 years from 7 May 2021	194 years	57 & 59 Portland Street, Manchester	Hotel	79,549	73,309 [3]	4.2	4.2
Investment properties						2,232,899	2,104,672	118.3	117.5
United Kingdom									
Residential build-to-rent ("**BTR**") (under development)	Freehold	–	–	Heyrod Street, Manchester	–	131,423	59,660	7.0	3.3
Investment property under development						131,423	59,660	7.0	3.3

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

PORTFOLIO STATEMENTS
As at 31 December 2023

STAPLED GROUP (CONT'D)

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2023 [1] $'000	Carrying value at 31/12/2022 [1] $'000	Percentage of total net assets at 31/12/2023 %	Percentage of total net assets at 31/12/2022 %
Property, plant and equipment									
Singapore									
W Singapore – Sentosa Cove	Leasehold	99 years from 31 October 2006	82 years	21 Ocean Way	Hotel	409,248	393,352	21.7	21.9
Australia									
Ibis Perth	Freehold	–	–	334 Murray Street, Perth	Hotel	31,074	28,652	1.6	1.6
Mercure Perth	Freehold	–	–	10 Irwin Street, Perth	Hotel	40,532	40,932	2.1	2.3
Maldives									
Raffles Maldives Meradhoo	Leasehold	99 years from 15 June 2006	81 years	Gaafu Alifu Atoll	Resort	69,528	74,627	3.7	4.2
Japan									
Hotel MyStays Asakusabashi	Freehold	–	–	1-5-5 Asakusabashi, Taito-ku, Tokyo, Japan	Hotel	42,501	39,164	2.3	2.2
Hotel MyStays Kamata	Freehold	–	–	5-46-5 Kamata, Ota-ku, Tokyo, Japan	Hotel	28,086	27,830	1.5	1.6
United Kingdom									
Hilton Cambridge City Centre	Leasehold	125 years from 25 December 1990	92 years	Downing Street, Cambridge	Hotel	107,486	97,855	5.7	5.5
The Lowry Hotel	Leasehold	150 years from 18 March 1997	123 years	Manchester	Hotel	84,744	80,230	4.5	4.5
Other plant and equipment	–	–	–	–	–	1,412	608	0.1	0.0
Property, plant and equipment						814,611	783,250	43.2	43.8
Investment properties, investment property under development and property, plant and equipment						3,178,933	2,947,582	168.5	164.6
Other assets and liabilities (net)						(1,292,671)	(1,154,438)	(68.5)	(64.6)
Net assets of the Stapled Group						1,886,262	1,793,144	100.0	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) The acquisition of Hotel Brooklyn was completed on 22 February 2022 (Note 29).

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

PORTFOLIO STATEMENTS

As at 31 December 2023

The carrying values of the investment properties and investment property under development are as follows:

	H-REIT Group		Stapled Group	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Investment properties and investment property under development				
Orchard Hotel	515,000	478,000	515,000	478,000
Grand Copthorne Waterfront Hotel	420,000	377,000	420,000	377,000
M Hotel	271,000	259,000	271,000	259,000
Copthorne King's Hotel	146,000	129,000	146,000	129,000
W Singapore – Sentosa Cove	396,227	390,349	–	–
Studio M Hotel	206,000	187,500	206,000	187,500
Claymore Connect	110,000	100,000	110,000	100,000
Grand Millennium Auckland	176,248	199,304	176,248	199,304
Ibis Perth	26,571	27,470	–	–
Mercure Perth	35,578	39,568	–	–
Angsana Velavaru	89,769	94,807	89,769	94,807
Raffles Maldives Meradhoo	58,940	69,917	–	–
Pullman Hotel Munich	152,935	149,337	152,935	149,337
Hotel Cerretani Firenze – MGallery	66,398	57,415	66,398	57,415
Residential BTR (under development)	–	–	131,423	59,660
Hotel Brooklyn	79,549	73,309	79,549	73,309
	2,750,215	2,631,976	2,364,322	2,164,332

The carrying values of property, plant and equipment by property are set out below:

	H-REIT Group		Stapled Group	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Property, plant and equipment				
W Singapore – Sentosa Cove	–	–	409,248	393,352
Ibis Perth	–	–	31,074	28,652
Mercure Perth	–	–	40,532	40,932
Raffles Maldives Meradhoo	–	–	69,528	74,627
Hotel MyStays Asakusabashi	42,501	39,164	42,501	39,164
Hotel MyStays Kamata	28,086	27,830	28,086	27,830
Hilton Cambridge City Centre	–	–	107,486	97,855
The Lowry Hotel	–	–	84,744	80,230
Other plant and equipment	1,227	405	1,412	608
	71,814	67,399	814,611	783,250

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

PORTFOLIO STATEMENTS
As at 31 December 2023

As at 31 December 2023 and 31 December 2022, Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel, Studio M Hotel and Grand Millennium Auckland are leased by the H-REIT Group to related corporations of the H-REIT Manager. As at 31 December 2023 and 31 December 2022, W Singapore – Sentosa Cove, Raffles Maldives Meradhoo, the Japan Properties and the Australia Properties are leased by the H-REIT Group to the HBT Group.

The terms of the lease are as follows:

Singapore

The leases for Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel and Copthorne King's Hotel contain an initial term of 20 years from 19 July 2006 with an option to renew for another 20 years. The lease for Studio M Hotel contains an initial term of 20 years from 3 May 2011 with an option to renew up to a total term of 70 years. The lease for W Singapore – Sentosa Cove contains a term of 20 years. The leases for Claymore Connect generally contain an initial term of 1 to 3 years.

New Zealand

The lease for Grand Millennium Auckland contains a term of 3 years from 7 September 2019 with an option to extend for a 3-year period, which has been renewed for a term of 3 years from 7 September 2022.

Australia

The leases for the Australia properties contain a term of 10 years from 1 May 2021.

Maldives

The lease for Angsana Velavaru contains a term of 10 years from 1 February 2013. A new lease agreement has been entered into for a term of 10 years commencing 1 February 2023. Raffles Maldives Meradhoo is leased to CDL HBT Oceanic Maldives Private Limited, an indirect subsidiary of HBT, for a term of 10 years from 31 December 2013 with an option to renew for another 10 years, which has been renewed for a term of 10 years from 31 December 2023.

Japan

The Japan properties are under master lease arrangements between a trust bank in Japan (in its capacity as the trust bank holding the legal title to the Japan hotels) and AKO GK, an indirect subsidiary of HBT. The lease for the properties was renewed for a term of 1 year from 18 July 2023.

Germany

The lease for Pullman Hotel Munich contains a term of 20 years from 14 July 2017. The leases for the office and retail components generally contain an initial term of 1 to 5 years.

Italy

The lease for Hotel Cerretani Firenze – MGallery contains a term of 20 years from 27 November 2018.

United Kingdom

The lease for Hotel Brooklyn contains a term of 60 years from 7 May 2021 with an option for lessee to terminate the lease on 15 January 2045 and every 5-year interval thereafter.

Subsequent renewals are renegotiated with the lessees.

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

STATEMENTS OF CASH FLOWS

Year ended 31 December 2023

	Note	HBT Group		H-REIT Group		Stapled Group	
		2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Cash flows from operating activities							
(Loss)/Profit/Total return for the year before tax		(7,232)	732	140,180	247,882	141,756	223,170
Adjustments for:							
H-REIT Manager's and HBT Trustee-Manager's fees paid/payable in Stapled Securities		950	812	10,111	9,362	11,061	10,174
Depreciation of property, plant and equipment	6	16,471	16,771	1,877	1,487	21,931	20,984
Loss/(Gain) on disposal of property, plant and equipment		–	21	–	–	(13)	21
Write-off of property, plant and equipment		410	–	–	56	410	67
Impairment loss on trade and other receivables		93	127	2,333	–	255	127
(Reversal of revaluation deficit)/Revaluation deficit on property, plant and equipment		(3,158)	3,667	–	(409)	(943)	(13,250)
Net fair value gain on investment properties and investment property under development		(6,735)	(6,374)	(80,787)	(142,788)	(106,972)	(130,262)
Net finance costs/(income)		16,445	723	50,835	(4,265)	62,461	4,436
Operating income before working capital changes		17,244	16,479	124,549	111,325	129,946	115,467
Changes in:							
- Inventories		(83)	(44)	–	–	(83)	(44)
- Trade and other receivables		(1,651)	(1,075)	(10,590)	(13,791)	(4,523)	(3,030)
- Trade and other payables		6,853	12,319	8,399	5,250	5,772	7,357
Cash generated from operations		22,363	27,679	122,358	102,784	131,112	119,750
Tax (paid)/refund		(2,449)	562	(4,896)	(3,902)	(7,345)	(3,341)
Net cash generated from operating activities		19,914	28,241	117,462	98,882	123,767	116,409
Cash flows from investing activities							
Loan to related entity		–	–	(50,205)	(18,527)	–	–
Acquisition of property, net of cash acquired	29	–	–	–	(43,122)	–	(43,122)
Additions to property, plant and equipment		(3,238)	(4,644)	(1,621)	(363)	(13,934)	(8,285)
Proceeds from disposal of property, plant and equipment		–	66	–	–	13	66
Additions to ROU assets		–	–	–	(13,752)	–	(13,752)
Capital expenditure on investment properties and investment property under development		(58,000)	(30,326)	(27,784)	(8,420)	(74,875)	(33,846)
Receipt of finance lease receivables		–	–	561	395	561	395
Interest received		86	44	847	280	933	323
Net cash used in investing activities		(61,152)	(34,860)	(78,202)	(83,509)	(87,302)	(98,221)

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

STATEMENTS OF CASH FLOWS

Year ended 31 December 2023

	Note	HBT Group 2023 $'000	HBT Group 2022 $'000	H-REIT Group 2023 $'000	H-REIT Group 2022 $'000	Stapled Group 2023 $'000	Stapled Group 2022 $'000
Cash flows from financing activities							
Loan from related entity		50,205	18,527	–	–	–	–
Proceeds from bank loans		–	92,264	417,638	372,549	417,638	464,813
Repayment of bank loans		–	(92,264)	(352,349)	(329,582)	(352,349)	(421,846)
Payment of transaction costs related to bank loans		(15)	(568)	(1,796)	(2,726)	(1,811)	(3,294)
Payment of lease liabilities		(7,978)	(4,963)	(718)	(948)	(853)	(1,100)
Finance costs paid		(10,102)	(7,557)	(41,734)	(26,814)	(47,917)	(30,089)
Distributions to holders of Stapled Securities		(1,812)	(4,116)	(73,874)	(58,771)	(75,686)	(62,887)
Movement in restricted cash		–	–	(538)	2,473	(538)	2,473
Net cash generated from/(used in) financing activities		30,298	1,323	(53,371)	(43,819)	(61,516)	(51,930)
Net decrease in cash and cash equivalents		(10,940)	(5,296)	(14,111)	(28,446)	(25,051)	(33,742)
Cash and cash equivalents at beginning of the year		25,549	32,327	69,751	102,799	95,300	135,126
Effect of exchange rate changes on cash and cash equivalents		189	(1,482)	(455)	(4,602)	(266)	(6,084)
Cash and cash equivalents at end of the year	9	14,798	25,549	55,185	69,751	69,983	95,300

Significant non-cash transactions

There were the following non-cash transactions:

(i) 8,091,477 (2022: 6,392,689) Stapled Securities amounting to $9.6 million (2022: $7.6 million) were issued to the H-REIT Manager as satisfaction of the management fee (2022: management fee and acquisition fee) payable in Stapled Securities.

(ii) 720,643 (2022: 615,154) Stapled Securities amounting to $0.9 million (2022: $0.7 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 consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

These notes form an integral part of the consolidated financial statements.

The consolidated financial statements were authorised for issue by the HBT Trustee-Manager, the H-REIT Manager and the H-REIT Trustee on 26 March 2024.

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.

Several service agreements are in place in relation to the management of HBT and H-REIT and its property operations. The fee structures of these services are as follows:

(i) HBT Trustee-Manager's fees

Pursuant to Clauses 12.1, 12.2, 12.3 and 12.4 of the HBT Trust Deed, the HBT Trustee-Manager is entitled to the following:

- Trustee fee of not exceeding 0.1% per annum of the value of HBT's Deposited Property (as defined in the HBT Trust Deed), subject to a minimum fee of $10,000 per month, if the value of HBT's Deposited Property is at least $50.0 million. The trustee fee is payable in arrears on a monthly basis in the form of cash.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL (CONT'D)

(i) HBT Trustee-Manager's fees (cont'd)

- Management fees comprising a base fee of 0.25% per annum of the value of HBT's Deposited Property (as defined in the HBT Trust Deed) and a performance fee of 5.0% per annum of HBT's net property income (as defined in the HBT Trust Deed).

  The HBT Trustee-Manager's management fees are payable in the form of Stapled Securities and/or cash as the HBT Trustee-Manager may elect (such election to be irrevocable and made prior to the relevant calendar quarter), and in such proportion as may be determined by the HBT Trustee-Manager, such determination to be irrevocable and made prior to be relevant calendar quarter. Where the management fees are payable in the form of Stapled Securities or (in the event that unstapling of the H-REIT units and HBT units has taken place) HBT units, such Stapled Securities or HBT units shall be issued at the market price (as defined in the HBT Trust Deed) prevailing at the date the management fees accrue.

  For the years ended 31 December 2023 and 31 December 2022, 80% of the HBT Trustee-Manager's management fees was satisfied in Stapled Securities and the remaining 20% was satisfied in cash.

  Any increase in the maximum permitted rate or any change in the structure of the HBT Trustee-Manager's management fees must be approved by an extraordinary resolution at a meeting of holders of the HBT units duly convened and held in accordance with the provisions of the HBT Trust Deed.

  The portion of the base management fee payable in the form of Stapled Securities is paid on a quarterly basis, in arrears. The portion of the base management fee payable in the form of cash is paid on a monthly basis, in arrears. Performance fee is paid on an annual basis in arrears, regardless of whether it is paid in the form of Stapled Securities or in cash.

- An acquisition fee of 1% (0.75% for acquisitions from related parties as defined in the HBT Trust Deed) of the acquisition price and a divestment fee of 0.5% of the sale price on all future acquisitions or disposals of properties. Both the acquisition fee and divestment fee are payable in the form of Stapled Securities and/or cash as the HBT Trustee-Manager may elect, and in such proportion as may be determined by the HBT Trustee-Manager. In the event that the HBT Trustee-Manager receives an acquisition fee in connection with a transaction with a related party, any such acquisition fee shall be paid in the form of Stapled Securities issued at the market price.

- Development management fee of 3% of the Total Project Costs (as defined in the HBT Trust Deed) incurred in a Development Project (as defined in the HBT Trust Deed) undertaken on behalf of the HBT Group. If the estimated Total Project Costs exceeds $200.0 million, the HBT Trustee-Manager's independent directors will first review and approve the quantum of the development management fee whereupon the HBT Trustee-Manager may be directed by its independent directors to reduce the development management fee.

  The development management fee is payable in equal monthly instalments in cash over the construction period of each Development Project based on the HBT Trustee-Manager's best estimate of the Total Project Costs and construction period and, if necessary, a final payment of the balance amount to be paid to the HBT Trustee-Manager or (as the case may be) paid by the HBT Trustee-Manager when the Total Project Costs is finalised. No acquisition fee shall be paid when the HBT Trustee-Manager receives the development management fee for a Development Project.

  Any increase in the percentage or any change in the structure of the HBT Trustee-Manager's development management fee must be approved by an extraordinary resolution at a meeting of holders of the HBT units duly convened and held in accordance with the provisions of the HBT Trust Deed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL (CONT'D)

(ii) H-REIT Manager's fees

Pursuant to Clauses 14.1, 14.2 and 14.7 of the H-REIT Trust Deed, the H-REIT Manager is entitled to the following:

- Management fees comprising a base fee of 0.25% per annum of the value of H-REIT's Deposited Property (as defined in the H-REIT Trust Deed) and a performance fee of 5.0% per annum of H-REIT's net property income (as defined in the H-REIT Trust Deed).

  The H-REIT Manager's management fees are payable in the form of Stapled Securities and/or cash as the H-REIT Manager may elect (such election to be irrevocable and made prior to the relevant calendar quarter), and in such proportion as may be determined by the H-REIT Manager, such determination to be irrevocable and made prior to be relevant calendar quarter. Where the management fees are payable in the form of Stapled Securities or (in the event that unstapling of the H-REIT units and HBT units has taken place) H-REIT units, such Stapled Securities or H-REIT units shall be issued at the market price (as defined in the H-REIT Trust Deed) prevailing at the date the management fees accrue.

  For the years ended 31 December 2023 and 31 December 2022, 80% of the H-REIT Manager's management fees was satisfied in Stapled Securities and the remaining 20% was satisfied in cash.

  Any increase in the maximum permitted rate or any change in the structure of the H-REIT Manager's management fees must be approved by an extraordinary resolution at a meeting of holders of the H-REIT units duly convened and held in accordance with the provisions of the H-REIT Trust Deed.

  The portion of the base management fee payable in the form of Stapled Securities is paid on a quarterly basis, in arrears. The portion of the base management fee payable in the form of cash is paid on a monthly basis, in arrears. Performance fee is paid on an annual basis in arrears, regardless of whether it is paid in the form of Stapled Securities or in cash.

- Acquisition fee of 1% (0.75% for acquisitions from related parties as defined in the H-REIT Trust Deed) of the acquisition price and a divestment fee of 0.5% of the sale price on all future acquisitions or disposals of properties. Both the acquisition fee and divestment fee are payable in the form of Stapled Securities and/or cash as the H-REIT Manager may elect, and in such proportion as may be determined by the H-REIT Manager. In the event that the H-REIT Manager receives an acquisition fee in connection with a transaction with a related party, any such acquisition fee shall be paid in the form of Stapled Securities issued at the market price.

- Development management fee of 3% of the Total Project Costs (as defined in the H-REIT Trust Deed) incurred in a Development Project (as defined in the H-REIT Trust Deed) undertaken on behalf of the H-REIT Group. If the estimated Total Project Costs exceeds $200.0 million, the H-REIT Manager's independent directors will first review and approve the quantum of the development management fee whereupon the H-REIT Manager may be directed by its independent directors to reduce the development management fee.

  The development management fee is payable in equal monthly instalments in cash over the construction period of each Development Project based on the H-REIT Manager's best estimate of the Total Project Costs and construction period and, if necessary, a final payment of the balance amount to be paid to the H-REIT Manager or (as the case may be) paid by the H-REIT Manager when the Total Project Costs is finalised. No acquisition fee shall be paid when the H-REIT Manager receives the development management fee for a Development Project.

  Any increase in the percentage or any change in the structure of the H-REIT Manager's development management fee must be approved by an extraordinary resolution at a meeting of holders of the H-REIT units duly convened and held in accordance with the provisions of the H-REIT Trust Deed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL (CONT'D)

(iii) H-REIT Trustee's fee

Pursuant to the H-REIT Trust Deed, the H-REIT Trustee's fee shall not exceed 0.1% per annum of the value of H-REIT's Deposited Property (subject to a minimum of $10,000 per month) or such higher percentage as may be fixed by an extraordinary resolution of a meeting of holders of the H-REIT units. The H-REIT Trustee's fee is payable out of H-REIT's Deposited Property on a monthly basis, in arrears. The H-REIT Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the H-REIT Trust Deed.

Based on the current agreement between the H-REIT Manager and the H-REIT Trustee, the H-REIT Trustee's fee is charged on a scaled basis of up to 0.02% per annum of the value of H-REIT's Deposited Property (subject to a minimum of $10,000 per month).

2 BASIS OF PREPARATION

2.1 Statement of compliance

The consolidated financial statements of the HBT Group have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**"), the applicable requirements of the Business Trusts Act 2004 of Singapore and the provisions of the HBT Trust Deed.

The consolidated 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* revised and 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**") and the provisions of the H-REIT Trust Deed and the Stapling Deed. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of the Singapore Financial Reporting Standards ("**FRS**").

2.2 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except as described below.

2.3 Functional and presentation currency

The consolidated 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.

2.4 Use of estimates and judgements

The preparation of consolidated 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 4 – Valuation of investment properties
- Note 5 – Valuation of investment property under development
- Note 6 – Valuation of property, plant and equipment

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 BASIS OF PREPARATION (CONT'D)

2.4 Use of estimates and judgements (cont'd)

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 year during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 4 – Valuation of investment properties
- Note 5 – Valuation of investment property under development
- Note 6 – Valuation of property, plant and equipment
- Note 25 – Valuation of financial instruments

2.5 Change in material accounting policies

New accounting standards and amendments

The Stapled Group has applied the following FRSs / SFRS(I)s and amendments to FRSs / SFRS(I)s for the first time for the annual period beginning on 1 January 2023:

- FRS 117 / SFRS(I) 17: *Insurance Contracts*
- Amendments to FRS 12 / SFRS(I) 1-12: *Deferred tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to FRS 12 / SFRS(I) 1-12: *International Tax Reform – Pillar Two Model Rules*
- Amendments to FRS 1 / SFRS(I) 1-1 and FRS / SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to FRS 8 / SFRS(I) 1-8: *Definition of Accounting Estimates*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 BASIS OF PREPARATION (CONT'D)

2.5 Change in material accounting policies (cont'd)

New accounting standards and amendments (cont'd)

Other than the below, the application of these amendments to accounting standards and interpretations does not have a material effect on these financial statements.

Amendments to FRS 12 / SFRS(I) 1-12: Deferred tax related to assets and liabilities arising from a single transaction

The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences - e.g. leases and decommissioning liabilities.

For leases, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

The Stapled Group previously accounted for deferred tax on leases by applying the 'integrally linked' approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was recognised on a net basis. Following the amendments, the Stapled Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statement of financial position because the balances qualify for offset under paragraph 74 of FRS 12 / SFRS(I) 1-12. There was also no impact on the opening unitholders' funds as at 1 January 2022 as a result of the change. The key impact for the Stapled Group relates to the disclosure of the deferred tax assets and labilities recognised (see Note 13).

Amendments to FRS 12: International Tax Reform – Pillar Two Model Rules

The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax that may arise from the jurisdictional adoption of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development ('OECD'), and require new disclosures about the Pillar Two tax exposure.

The mandatory exception is effective immediately and applies retrospectively. However, the amendments have no impact on the Stapled Group as the Stapled Group's consolidated revenue is less than EUR 750 million per annum and it is not in scope of the Pillar Two model rules.

Amendments to FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies

The Stapled Group adopted this for the first time in 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

The H-REIT Manager and the HBT Trustee-Manager reviewed the accounting policies and made updates to the information disclosed in Note 3 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments. The amendments did not result in any changes to the accounting policies themselves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES

The material accounting policies set out below have been applied by the HBT Group, the H-REIT Group and the Stapled Group consistently to all periods presented in these consolidated financial statements.

3.1 Consolidation

(i) Stapling

Where entities enter into a stapling arrangement, the stapling arrangement is accounted for as a business combination under the acquisition method.

(ii) Business combinations

The Stapled Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Stapled Group. In determining whether a particular set of activities and assets is a business, the Stapled Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Stapled Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Stapled Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest ("**NCI**") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree, over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss or the statements of total return (as the case may be).

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by FRS / SFRS(I).

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Stapled Group incurs in connection with a business combination are expensed as incurred.

(iii) Subsidiaries

Subsidiaries are entities controlled by either the HBT Group or the H-REIT Group. The HBT Group and the H-REIT Group control an entity when they are exposed to or has rights to, variable returns from their involvement with the entity and have the ability to affect those returns through their power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies of the HBT Group, the H-REIT Group and the Stapled Group, where appropriate. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.1 Consolidation (cont'd)

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements of the HBT Group, the H-REIT Group and the Stapled Group.

3.2 Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the entities in the HBT Group, the H-REIT Group and the Stapled Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss or the statements of total return (as the case may be). However, for foreign currency differences arising on the translation of a financial liability designated as a hedge of the HBT Group's, the H-REIT Group's and the Stapled Group's net investment in a foreign operation to the extent that the hedge is effective are recognised in other comprehensive income ("**OCI**") or unitholders' funds (as the case may be) directly.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised directly in OCI or unitholders' funds (as the case may be). However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to profit or loss or the statements of total return (as the case may be) as part of the gain or loss on disposal. When only part of the interest in a subsidiary that includes a foreign operation is disposed of while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised directly in the foreign currency translation reserve in OCI or unitholders' funds (as the case may be).

(iii) Hedge of net investment in foreign operation

The HBT Group, the H-REIT Group and the Stapled Group apply hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the HBT Group, the H-REIT Group and the Stapled Group's functional currency (Singapore dollars), regardless of whether the net investment is held directly or through an intermediate parent.

Foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised directly in foreign currency translation reserve in unitholders' funds to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in profit or loss or the statements of total return (as the case may be). When the hedged net investment is disposed of, the relevant amount in the foreign currency translation reserve is transferred to profit or loss or the statements of total return (as the case may be) as part of the profit or loss on disposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Property, plant and equipment

(i) Recognition and measurement

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent to recognition, freehold land, leasehold land and buildings are measured at fair value less accumulated depreciation and accumulated impairment losses while other assets are measured at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any surplus arising on the revaluation is recognised in OCI or unitholders' funds (as the case may be), except to the extent that the surplus reverses a previous revaluation deficit on the same asset recognised in profit or loss or the statements of total return (as the case may be), in which case the credit to that extent is recognised in profit or loss or the statements of total return (as the case may be). Any deficit on revaluation is recognised in profit or loss or the statements of total return (as the case may be) except to the extent that it reverses a previous revaluation surplus on the same asset, in which case the debit to that extent is recognised in OCI or unitholders' funds (as the case may be).

When an item of property, plant and equipment is sold or retired, its cost and accumulated depreciation are removed from the statements of financial position. The gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss or the statements of total return (as the case may be). The revaluation surplus included in equity or unitholders' funds (as the case may be) in respect of an item of property, plant and equipment measured using revaluation model, is transferred directly to accumulated profits/losses or unitholders' funds (as the case may be).

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Stapled Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss or the statements of total return (as the case may be) as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss or the statements of total return (as the case may be) on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Stapled Group will obtain ownership by the end of the lease term. Freehold land and capital work-in-progress are not depreciated.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Property, plant and equipment (cont'd)

(iii) Depreciation (cont'd)

The estimated useful lives for the current and comparative years are as follows:

• Leasehold land	Remaining useful lives of land leases of 81 years to 124 years (2022: 82 years to 125 years)
• Buildings	31 years to 50 years
• Plant and machinery	10 years to 12 years
• Furniture and fixtures	7 years
• Motor vehicles and boats	5 years
• Office equipment	5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

3.4 Investment properties and investment property under development

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property under development is property being constructed or developed for future use as investment property. Investment properties and investment property under development are measured at cost on initial recognition and subsequently at fair value with any changes therein recognised in profit or loss or the statements of total return (as the case may be).

The cost of a purchased property comprises its purchase price and any directly attributable expenditure including transaction costs. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. Fair value is determined in accordance with the HBT Trust Deed and the H-REIT Trust Deed which requires the investment properties and investment property under development to be valued by independent registered valuers in the following events:

- at least once a year in accordance with the Property Funds Appendix of CIS Code issued by MAS; and
- where the HBT Trustee-Manager and the H-REIT Manager proposes to issue new units for subscription or to redeem existing units unless the investment properties have been valued not more than 6 months ago.

When an investment property is disposed of, the resulting gain or loss recognised in profit or loss or the statements of total return (as the case may be) is the difference between net disposal proceeds and the carrying amount of the property.

Properties are classified either as investment properties or property, plant and equipment in the statements of financial position. In assessing whether a property is classified as an investment property or property, plant and equipment, the Stapled Group takes into consideration several factors including, but not limited to, the business model, the extent of ancillary services provided, the power that the Stapled Group has to make significant operating and financing decisions regarding the operations of the property and the significance of its exposure to variations in the net cash flows of the property. The factors above are considered collectively, together with the facts and circumstances of each lease, in determining the classification of a property.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Leases

At inception of a contract, the Stapled Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Stapled Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Stapled Group has elected not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.

The Stapled Group recognises a right-of-use ("**ROU**") asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The subsequent measurement of the ROU asset will depend on whether it is presented in investment properties or property, plant and equipment. The accounting policies for investment properties and property, plant and equipment are set out in Note 3.4 and Note 3.3 respectively.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate as the discount rate.

The Stapled Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substances fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- lease payments in an optional renewal period if the Stapled Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Stapled Group changes its assessment of whether it will exercise an extension option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

The Stapled Group presents ROU assets that do not meet the definition of investment properties in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statements of financial position.

Short-term leases and leases of low value assets

The Stapled Group has elected not to recognise ROU assets and lease liabilities for leases of low-value assets and short-term leases. The Stapled Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Leases (cont'd)

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Stapled Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Stapled Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Stapled Group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Stapled Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Stapled Group is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset.

If an arrangement contains lease and non-lease components, then the Stapled Group applies FRS 115 / SFRS(I) 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract.

The Stapled Group applies the derecognition and impairment requirements in FRS 109 / SFRS(I) 9 *Financial Instruments* to the net investment in the lease (see Note 3.7(i)).

The Stapled Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

3.6 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Stapled Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss ("**FVTPL**"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("**FVOCI**") – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Stapled Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. On initial recognition, the Stapled Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Stapled Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Stapled Group's continuing recognition of the assets.

The Stapled Group has financial assets that have a held-to-collect business model. The objective of the business model is to collect the amounts due from the Stapled Group's receivables and where applicable to earn contractual interest income on the amounts collected.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Stapled Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Stapled Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Stapled Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Non-derivative financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss or the statements of total return (as the case may be).

(iii) Derecognition

Financial assets

The Stapled Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Stapled Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Stapled Group enters into transactions whereby it transfers assets recognised in its statements of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Stapled Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Stapled Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss or the statements of total return (as the case may be).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Stapled Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and fixed deposits that are subject to an insignificant risk of changes in their fair values, and are used by the Stapled Group in the management of its short-term commitments. For the purpose of the statements of cash flows, restricted cash is excluded.

(vi) Derivative financial instruments and hedge accounting

The Stapled Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss or the statements of total return (as the case may be) as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss or the statements of total return (as the case may be).

The Stapled Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Stapled Group documents the risk management objective and strategy for undertaking the hedge. The Stapled Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Net investment hedges

The Stapled Group designates certain non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of foreign exchange gains and losses for a non-derivative financial liability is recognised in OCI and presented in the translation reserve within unitholders' funds. Any ineffective portion of foreign exchange gains and losses on the non-derivative financial liability is recognised immediately in profit or loss or the statements of total return (as the case may be). The amount recognised in the foreign currency translation reserve is fully or partially reclassified to profit or loss or the statements of total return (as the case may be) as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in profit or loss or the statements of total return (as the case may be).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment

(i) Non-derivative financial assets

The Stapled Group recognises loss allowances for expected credit loss ("**ECL**") on financial assets measured at amortised cost and lease receivables.

Loss allowances of the Stapled Group are measured on either of the following bases:

- 12-month ECL: these are ECL that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECL: these are ECL that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Stapled Group applies the simplified approach to provide for ECL for all trade receivables (including lease receivables). The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECL.

General approach

The Stapled Group applies the general approach to provide for ECL on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECL at initial recognition.

At each reporting date, the Stapled Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Stapled Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Stapled Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECL.

The Stapled Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Stapled Group in full, without recourse by the Stapled Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECL is the maximum contractual period over which the Stapled Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Stapled Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

Credit-impaired financial assets

At each reporting date, the Stapled Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Stapled Group on terms that the Stapled Group would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statements of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Stapled Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Stapled Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Stapled Group's non-financial assets, other than investment properties, investment property under development, deferred tax assets and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash generating unit ("**CGU**") exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss or the statements of total return (as the case may be). Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (groups of CGUs), and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(ii) Non-financial assets (cont'd)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.8 Unitholders' funds

Unitholders' funds of the Stapled Group comprise unitholders' funds of the HBT Group and the H-REIT Group. Unitholders' funds are classified as equity.

Issue expenses relate to expenses incurred in connection with the issue of Stapled Securities. The expenses are deducted directly against the unitholders' funds.

3.9 Revenue

(i) Rental income from operating leases

Rental income receivable under operating leases is recognised in the statement of total return on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income to be received. Variable rentals are recognised as income in the accounting period in which they are earned and the amount can be measured reliably.

(ii) Hotel revenue

Revenue from hotel and resort operations comprises mainly room, food and beverage and other hotel related services income. Room revenue is recognised when performance obligations are satisfied over the period of stay. Food and beverage revenue and other hotel related services are recognised at a point in time when performance obligations are satisfied by rendering the relevant goods and services to the customers.

3.10 Finance income and finance costs

Finance income comprises interest income on funds invested, finance lease receivables and loan to related entity, net foreign exchange gains and gains on hedging instruments that are recognised in profit or loss or the statement of total return (as the case may be). Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprises interest expense on loans and borrowings, lease liabilities and loan from related entity, amortisation of transaction costs on loans and borrowings, unwinding of the discount on non-current rental deposits, net foreign exchange losses and losses on hedging instruments that are recognised in profit or loss or the statements of total return (as the case may be). Interest expenses are recognised as they accrue, using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss or the statements of total return (as the case may be) except to the extent that it relates to a business combination, or items recognised directly in OCI or unitholders' funds.

The Stapled Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37 / SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflect uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that at the time of the transaction (i) affects neither accounting nor taxable profit or loss; and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries to the extent that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Stapled Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Stapled Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Stapled Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Stapled Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Tax (cont'd)

H-REIT received a tax ruling from the Inland Revenue Authority of Singapore ("**IRAS**") and subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90% of the taxable income of H-REIT, H-REIT will not be taxed on the portion of taxable income of H-REIT that is distributed to holders of H-REIT units. Any portion of the taxable income that is not distributed to holders of H-REIT units will be taxed on H-REIT. In the event that there are subsequent adjustments to the taxable income when the actual taxable income of H-REIT is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the taxable income for the next distribution following the agreement with the IRAS.

Although H-REIT is not taxed on its taxable income distributed, the H-REIT Trustee and the H-REIT Manager are required to deduct income tax at the applicable corporate tax rate from distributions of such taxable income of H-REIT (i.e. which has not been taxed in the hands of the H-REIT Trustee) to certain holders of H-REIT units. The H-REIT Trustee and the H-REIT Manager will not deduct tax from distributions made out of H-REIT's taxable income to the extent that the beneficial holder of H-REIT units is:

- An individual (excluding a partnership in Singapore);
- A tax resident Singapore-incorporated company;
- A Singapore branch of a company incorporated outside Singapore;
- A body of persons (excluding partnerships) incorporated or registered in Singapore, including:
  - (i) a charity registered under the Charities Act (Cap 37) or established by any written law;
  - (ii) a town council;
  - (iii) a statutory board;
  - (iv) a co-operative society registered under the Co-operative Societies Act (Cap 62); and
  - (v) a trade union registered under the Trade Unions Act (Cap 333).
- an international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act (Cap 145); and
- real estate investment trust exchange-traded funds which have been accorded the tax transparency treatment.

The above tax transparency ruling does not apply to gains from sale of real properties. Such gains which are considered as trading gains are assessable to tax on H-REIT. Where the gains are capital gains, H-REIT will not be assessed to tax and may distribute the capital gains without tax being deducted at source.

3.12 Earnings per Stapled Security

The Stapled Group presents basic and diluted earnings per Stapled Security. Basic earnings per Stapled Security is calculated by dividing the total return attributable to Stapled Security Holders by the weighted average number of Stapled Securities outstanding during the year. Diluted earnings per Stapled Security is determined by adjusting the total return attributable to Stapled Security Holders and the weighted average number of Stapled Securities outstanding, adjusted for the effects of all dilutive potential Stapled Securities.

3.13 Segment reporting

An operating segment is a component of the HBT Group, the H-REIT Group and the Stapled Group that engages in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components of the HBT Group, the H-REIT Group and the Stapled Group. All operating segments' operating results are reviewed regularly by the HBT Board or the H-REIT Board (the "**Boards**") to make decisions about resources to be allocated to the segment and assess its performance, and is a component for which discrete financial information is available.

Segment results that are reported to the Boards include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly management fee, finance income, finance costs and other expenses.

Segment capital expenditure is the total cost incurred on investment properties, investment property under development and property, plant and equipment during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.14 New accounting standards and interpretations not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted. However, the Stapled Group has not early adopted the new or amended accounting standards in preparing these financial statements.

Effective for annual periods beginning after 1 January 2024

- Amendments to FRS 1 / SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current* and *Non-current Liabilities with Covenants*
- Amendments to FRS 7 / SFRS(I) 1-7 and FRS 107 / SFRS(I) 7: *Supplier Finance Arrangements*
- Amendments to FRS 116 / SFRS(I) 16: *Lease Liability in a Sale and Leaseback*

Effective for annual periods beginning after 1 January 2025

- Amendments to FRS 21 / SFRS (I) 1-21: *Lack of Exchangeability*

The Stapled Group is in the process of assessing the potential impact of the amendments to accounting standards on its financial statements.

4 INVESTMENT PROPERTIES

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 January	–	–	2,631,976	2,419,305	2,104,672	1,921,748
Acquisition of property, including acquisition costs	–	–	–	80,859	–	80,859
Capital expenditure	–	–	32,363	6,469	23,226	3,203
Fair value changes (unrealised)	–	–	80,787	142,788	98,343	123,036
Straight-line rental adjustments	–	–	3,427	6,599	3,361	3,774
Additions of right-of-use assets	–	–	–	13,752	–	6,876
Adjustment to right-of-use assets	–	–	1,770	8,960	1,770	6,560
Translation differences	–	–	(108)	(46,756)	1,527	(41,384)
At 31 December	–	–	2,750,215	2,631,976	2,232,899	2,104,672

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 31 December 2023, an investment property of the H-REIT Group and the Stapled Group with a carrying amount of $152.9 million (2022: $149.3 million) is pledged as security to secure a bank loan (Note 10).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 INVESTMENT PROPERTIES (CONT'D)

Measurement of fair value

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 the Australia properties, CBRE Limited for the New Zealand property, C&W (U.K.) LLP (Italian Branch) for the Italy property, Colliers International Consultancy & Valuation (Singapore) Pte Ltd for the Maldives and United Kingdom properties, Colliers International Property Consultants Limited for the Germany property, as at that date. The carrying amounts of the investment properties as at 31 December 2022 were based on independent valuations undertaken by CBRE Pte. Ltd. for the Singapore and Maldives properties, Jones Lang LaSalle Incorporated for the New Zealand property, Cushman & Wakefield (Valuations) Pty Ltd for the Australia properties, CBRE GmbH for the Germany property, CBRE Valuation S.p.A. for the Italy property and Cushman & Wakefield Debenham Tie Leung Limited for the United Kingdom 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 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 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 2.4).

	H-REIT Group		Stapled Group	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Fair value of investment properties (based on valuation reports)	2,634,477	2,518,928	2,181,036	2,055,666
Add: Carrying amount of lease liabilities	115,738	113,048	51,863	49,006
Carrying amount of investment properties	2,750,215	2,631,976	2,232,899	2,104,672

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 INVESTMENT PROPERTIES (CONT'D)

Measurement of fair value (cont'd)

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

Country	Valuation techniques	Significant unobservable inputs	2023	2022
Singapore	Discounted cash flow and capitalisation methods	Hotel		
		Discount rate	6.00% - 7.50%	5.75% - 6.50%
		Terminal yield	3.75% - 5.00%	3.75% - 4.50%
		Capitalisation rate	3.50% - 4.75%	3.50% - 4.25%
		Retail		
		Discount rate	7.00%	7.00%
		Terminal yield	5.00%	5.25%
		Capitalisation rate	4.75%	5.00%
New Zealand	Discounted cash flow and capitalisation methods	Discount rate	9.50%	8.25%
		Terminal yield	7.50%	6.25%
		Capitalisation rate	7.25%	6.25%
Germany	Discounted cash flow and capitalisation methods (2022: Discounted cash flow method)	Hotel		
		Discount rate	7.75%	7.00% - 8.50%
		Terminal yield	5.75%	5.00% - 6.50%
		Retail		
		Discount rate	N.A.	5.25%
		Terminal yield	N.A.	4.65%
		Capitalisation rate	6.55%	N.A.
Australia	Discounted cash flow and capitalisation methods	Discount rate	8.25%	8.75%
		Terminal yield	6.50%	6.50%
		Capitalisation rate	6.25%	6.50%
Maldives	Discounted cash flow method (2022: Discounted cash flow and capitalisation methods)	Discount rate	11.00% - 11.75%	11.25% - 11.75%
		Terminal yield	9.00% - 9.75%	8.25% - 8.75%
		Capitalisation rate	N.A.	8.00% - 8.50%
Italy	Discounted cash flow method	Discount rate	7.50%	6.17% - 7.17%
		Terminal yield	5.50%	4.25% - 5.25%
United Kingdom	Discounted cash flow method (2022: Capitalisation method)	Discount rate	9.00%	N.A.
		Terminal yield	7.00%	N.A.
		Capitalisation rate	N.A.	7.00%

N.A. – Not applicable

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 INVESTMENT PROPERTIES (CONT'D)

Measurement of fair value (cont'd)

Inter-relationship between key unobservable inputs and fair value measurement

The significant unobservable inputs used in the fair value measurement of investment properties are discount rate, terminal yield and capitalisation rate. An increase in discount rate, terminal yield and capitalisation rate in isolation would result in a lower fair value.

5 INVESTMENT PROPERTY UNDER DEVELOPMENT

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 January	59,660	27,661	–	–	59,660	27,661
Development costs and interest capitalised	62,491 (1)	30,326 (1)	–	–	60,597 (2)	29,474 (2)
Fair value changes (unrealised)	6,735	6,374	–	–	8,629	7,226
Translation differences	2,537	(4,701)	–	–	2,537	(4,701)
At 31 December	131,423	59,660	–	–	131,423	59,660

(1) Included capitalised interest cost of $3,741,000 (2022: $1,637,000).
(2) Included capitalised interest cost of $1,847,000 (2022: $785,000).

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 carrying amount of the investment property under development as at 31 December 2022 was based on an independent valuation undertaken by Savills (UK) Limited, 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% (2022: 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 2.4).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 INVESTMENT PROPERTY UNDER DEVELOPMENT (CONT'D)

Measurement of fair value (cont'd)

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property under development, as well as the significant unobservable inputs used.

Country	Valuation technique	Significant unobservable inputs	2023	2022
United Kingdom	Comparative and investment methods (2022: Gross development investment value)	Residential and Car Parking		
		Capitalisation rate	4.70%	4.20%
		Retail		
		Capitalisation rate	9.00%	N.A.

N.A. – Not applicable

Inter-relationship between key unobservable inputs and fair value measurement

The significant unobservable inputs used in the fair value measurement of investment property under development is capitalisation rate. An increase in capitalisation rate in isolation would result in a lower fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT

	At valuation		At cost					
	Leasehold land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipment	Capital work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
HBT Group								
At valuation/cost								
At 1 January 2022	107,394	204,095	4,504	279	38,162	1,066	448	355,948
Additions	–	–	–	–	77	–	4,573	4,650
Transfers	–	–	233	–	4,100	62	(4,395)	–
Disposal	–	–	–	(156)	–	(20)	–	(176)
Written-off	–	(372)	–	(123)	–	–	–	(495)
Addition of right-of-use assets	–	225	–	–	–	–	–	225
Adjustment to right-of-use assets	–	(1,407)	–	–	–	–	–	(1,407)
Translation differences	(7,986)	(14,727)	(490)	–	(4,271)	(111)	(57)	(27,642)
Reversal of revaluation deficit/(Revaluation deficit) recognised in statement of profit or loss	471	(4,138)	–	–	–	–	–	(3,667)
Revaluation surplus/(deficit) recognised in OCI	1,127	(8,806)	–	–	–	–	–	(7,679)
Elimination of accumulated depreciation on revaluation	(3,568)	(8,328)	–	–	–	–	–	(11,896)
At 31 December 2022	97,438	166,542	4,247	–	38,068	997	569	307,861
At 1 January 2023	97,438	166,542	4,247	–	38,068	997	569	307,861
Additions	–	–	1,076	–	2,095	5	62	3,238
Transfers	–	–	–	–	142	–	(142)	–
Written-off	–	–	–	–	–	–	(410)	(410)
Addition of right-of-use assets	–	–	–	126	–	–	–	126
Adjustment to right-of-use assets	–	3	–	–	–	–	–	3
Translation differences	1,764	2,697	151	–	1,290	32	15	5,949
Reversal of revaluation deficit recognised in statement of profit or loss	1,907	1,251	–	–	–	–	–	3,158
Revaluation surplus recognised in OCI	3,089	6,162	–	–	–	–	–	9,251
Elimination of accumulated depreciation on revaluation	(3,502)	(9,041)	–	–	–	–	–	(12,543)
At 31 December 2023	100,696	167,614	5,474	126	41,595	1,034	94	316,633

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation		At cost					
	Leasehold land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipment	Capital work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
HBT Group (cont'd)								
Accumulated depreciation								
At 1 January 2022	–	–	2,121	127	18,641	775	–	21,664
Depreciation	3,568	8,700	431	65	3,849	158	–	16,771
Disposal	–	–	–	(69)	–	(14)	–	(83)
Written-off	–	(372)	–	(123)	–	–	–	(495)
Translation differences	–	–	(246)	–	(2,182)	(88)	–	(2,516)
Elimination of accumulated depreciation on revaluation	(3,568)	(8,328)	–	–	–	–	–	(11,896)
At 31 December 2022	–	–	2,306	–	20,308	831	–	23,445
At 1 January 2023	–	–	2,306	–	20,308	831	–	23,445
Depreciation	3,502	9,041	504	42	3,297	85	–	16,471
Translation differences	–	–	81	–	707	28	–	816
Elimination of accumulated depreciation on revaluation	(3,502)	(9,041)	–	–	–	–	–	(12,543)
At 31 December 2023	–	–	2,891	42	24,312	944	–	28,189
Carrying amounts								
At 31 December 2022	97,438	166,542	1,941	–	17,760	166	569	284,416
At 31 December 2023	100,696	167,614	2,583	84	17,283	90	94	288,444

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation		At cost			
	Freehold land	Buildings	Plant and machinery	Motor vehicles and boats	Furniture and fixtures	Total
	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group						
At valuation/cost						
At 1 January 2022	48,894	20,931	6,438	1,564	878	78,705
Additions	–	–	10	354	–	364
Written-off	–	–	–	(244)	–	(244)
Translation differences	(7,079)	(3,070)	(912)	(13)	(124)	(11,198)
Revaluation surplus recognised in unitholders' funds	3,365	2,664	–	–	–	6,029
Reversal of revaluation deficit recognised in statement of total return	–	409	–	–	–	409
Elimination of accumulated depreciation on revaluation	–	(712)	–	–	–	(712)
At 31 December 2022	45,180	20,222	5,536	1,661	754	73,353
At 1 January 2023	45,180	20,222	5,536	1,661	754	73,353
Additions	–	–	13	1,350	258	1,621
Translation differences	(3,883)	(1,717)	(449)	(46)	(69)	(6,164)
Revaluation surplus recognised in unitholders' funds	7,132	3,275	–	–	–	10,407
Elimination of accumulated depreciation on revaluation	–	(745)	–	–	–	(745)
At 31 December 2023	48,429	21,035	5,100	2,965	943	78,472
Accumulated depreciation						
At 1 January 2022	–	–	4,350	1,344	380	6,074
Depreciation	–	712	568	112	95	1,487
Written-off	–	–	–	(188)	–	(188)
Translation differences	–	–	(642)	(7)	(58)	(707)
Elimination of accumulated depreciation on revaluation	–	(712)	–	–	–	(712)
At 31 December 2022	–	–	4,276	1,261	417	5,954
At 1 January 2023	–	–	4,276	1,261	417	5,954
Depreciation	–	745	515	504	113	1,877
Translation differences	–	–	(363)	(28)	(37)	(428)
Elimination of accumulated depreciation on revaluation	–	(745)	–	–	–	(745)
At 31 December 2023	–	–	4,428	1,737	493	6,658
Carrying amounts						
At 31 December 2022	45,180	20,222	1,260	400	337	67,399
At 31 December 2023	48,429	21,035	672	1,228	450	71,814

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation			At cost					
	Freehold land	Leasehold land	Buildings	Plant and machinery	Furniture and fixtures	Motor vehicles and boats	Office equipment	Capital work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group									
At valuation/cost									
At 1 January 2022	71,539	319,178	334,050	50,873	50,500	2,081	5,628	981	834,830
Additions	–	–	961	621	580	454	659	5,025	8,300
Disposal	–	–	–	–	–	(156)	(20)	–	(176)
Written-off	–	–	(372)	(14)	–	(367)	–	–	(753)
Transfers	–	–	–	253	4,407	–	62	(4,722)	–
Addition of right-of-use assets	–	6,876	225	–	–	–	–	–	7,101
Adjustment to right-of-use assets	–	2,400	–	–	–	–	–	–	2,400
Revaluation surplus recognised in unitholders' funds	4,632	393	14,275	–	–	–	–	–	19,300
(Revaluation deficit)/ Reversal of revaluation deficit recognised in statement of total return/profit or loss	(96)	7,488	5,858	–	–	–	–	–	13,250
Translation differences	(8,772)	(8,032)	(17,853)	(2,760)	(4,438)	(16)	(144)	(56)	(42,071)
Elimination of accumulated depreciation on revaluation	–	(3,977)	(6,484)	–	–	–	–	–	(10,461)
At 31 December 2022	67,303	324,326	330,660	48,973	51,049	1,996	6,185	1,228	831,720
At 1 January 2023	67,303	324,326	330,660	48,973	51,049	1,996	6,185	1,228	831,720
Additions	–	–	953	1,581	2,942	1,015	1,002	6,555	14,048
Disposal	–	–	–	–	–	–	(50)	–	(50)
Written-off	–	–	–	–	–	–	–	(410)	(410)
Transfers	–	–	–	17	303	–	14	(334)	–
Addition of right-of-use assets	–	–	–	–	–	126	–	–	126
Adjustment to right-of-use assets	–	–	3	–	–	–	–	–	3
Revaluation surplus recognised in unitholders' funds	9,537	5,141	25,474	–	–	–	–	–	40,152
Reversal of revaluation deficit/(Revaluation deficit) recognised in statement of total return/profit or loss	–	5,259	(4,316)	–	–	–	–	–	943
Translation differences	(4,080)	1,883	284	(564)	1,172	(47)	(23)	14	(1,361)
Elimination of accumulated depreciation on revaluation	–	(3,869)	(8,155)	–	–	–	–	–	(12,024)
At 31 December 2023	72,760	332,740	344,903	50,007	55,466	3,090	7,128	7,053	873,147

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation			At cost					
	Freehold land	Leasehold land	Buildings	Plant and machinery	Furniture and fixtures	Motor vehicles and boats	Office equipment	Capital work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group (cont'd)									
Accumulated depreciation									
At 1 January 2022	–	–	–	13,514	23,482	1,707	3,426	–	42,129
Depreciation	–	3,977	6,856	3,959	5,126	181	885	–	20,984
Disposal	–	–	–	–	–	(69)	(14)	–	(83)
Written-off	–	–	(372)	(3)	–	(311)	–	–	(686)
Translation differences	–	–	–	(1,028)	(2,269)	(8)	(108)	–	(3,413)
Elimination of accumulated depreciation on revaluation	–	(3,977)	(6,484)	–	–	–	–	–	(10,461)
At 31 December 2022	–	–	–	16,442	26,339	1,500	4,189	–	48,470
At 1 January 2023	–	–	–	16,442	26,339	1,500	4,189	–	48,470
Depreciation	–	3,869	8,155	4,217	4,627	308	755	–	21,931
Disposal	–	–	–	–	–	–	(50)	–	(50)
Translation differences	–	–	–	(363)	610	(28)	(10)	–	209
Elimination of accumulated depreciation on revaluation	–	(3,869)	(8,155)	–	–	–	–	–	(12,024)
At 31 December 2023	–	–	–	20,296	31,576	1,780	4,884	–	58,536
Carrying amounts									
At 31 December 2022	67,303	324,326	330,660	32,531	24,710	496	1,996	1,228	783,250
At 31 December 2023	72,760	332,740	344,903	29,711	23,890	1,310	2,244	7,053	814,611

The depreciation expense is included in "depreciation" in profit or loss or the statements of total return (as the case may be).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

For each revalued class of property, plant and equipment, the carrying amount that would have been recognised had the assets been carried under the cost model is as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Freehold land						
Cost	–	–	28,595	31,117	49,401	52,129
Accumulated impairment losses	–	–	–	–	(90)	(91)
Carrying value	–	–	28,595	31,117	49,311	52,038
Leasehold land						
Cost	124,845	122,874	–	–	365,430	363,149
Accumulated depreciation and impairment losses	(28,446)	(26,074)	–	–	(26,665)	(28,152)
Carrying value	96,399	96,800	–	–	338,765	334,997
Buildings						
Cost	189,290	186,422	22,506	24,488	393,343	393,304
Accumulated depreciation and impairment losses	(29,191)	(21,048)	(5,850)	(5,660)	(81,226)	(74,008)
Carrying value	160,099	165,374	16,656	18,828	312,117	319,296

Measurement of fair value

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 Maldives and United Kingdom properties, Knight Frank Pte Ltd for the Singapore property and CBRE Valuations Pty Limited for the Australia properties, as at that date. The carrying amounts of the properties as at 31 December 2022 were based on independent valuations undertaken by JLL Morii Valuation & Advisory K.K. for the Japan properties, CBRE Hotels Limited for the United Kingdom properties, CBRE Pte. Ltd. for the Maldives and Singapore properties and Cushman & Wakefield (Valuations) Pty Ltd for the 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 the 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Measurement of fair value (cont'd)

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 2.4).

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring the fair value of property, plant and equipment, as well as the significant unobservable inputs used.

Country	Valuation techniques	Significant unobservable inputs	2023	2022
Singapore	Discounted cash flow and capitalisation methods	Discount rate	6.00%	5.75%
		Terminal yield	3.75%	3.75%
		Capitalisation rate	3.50%	3.50%
Japan	Discounted cash flow and capitalisation methods	Discount rate	4.10% - 4.40%	4.10% - 4.40%
		Terminal yield	4.40% - 4.70%	4.40% - 4.70%
		Capitalisation rate	4.30% - 4.60%	4.30% - 4.60%
United Kingdom	Discounted cash flow method	Discount rate	9.00% - 9.25%	8.50%
		Terminal yield	7.00% - 7.25%	6.50%
Maldives	Discounted cash flow method (2022: Discounted cash flow and capitalisation methods)	Discount rate	10.75%	11.25%
		Terminal yield	8.75%	8.25%
		Capitalisation rate	N.A.	8.00%
Australia	Discounted cash flow and capitalisation methods	Discount rate	8.50%	8.75%
		Terminal yield	6.75%	7.00%
		Capitalisation rate	6.50%	6.75%

N.A. – Not applicable

Inter-relationship between key unobservable inputs and fair value measurement

The significant unobservable inputs used in the fair value measurement of properties are discount rate, terminal yield and capitalisation rate. An increase in discount rate, terminal yield and capitalisation rate in isolation would result in a lower fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 FINANCE LEASE RECEIVABLES

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Finance lease receivables:						
- related corporation	–	–	5,145	1,803	5,145	1,803
Non-current	–	–	4,345	1,327	4,345	1,327
Current	–	–	800	476	800	476
	–	–	5,145	1,803	5,145	1,803

Finance lease receivables relate to sub-lease of a property to a related corporation. There is no impairment loss arising from the receivables as the ECL is negligible.

8 TRADE AND OTHER RECEIVABLES

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Trade receivables:						
- related corporations	–	–	6,935	7,213	6,935	7,213
- related entities	–	–	28,645	27,504	–	–
- third parties	4,276	5,987	5,103	3,195	9,379	9,182
	4,276	5,987	40,683	37,912	16,314	16,395
Impairment loss	(106)	(131)	(9,887)	(7,953)	(199)	(302)
Net trade receivables	4,170	5,856	30,796	29,959	16,115	16,093
Other receivables:						
- related corporations	–	–	10	20	10	20
- related entities	16,465	13,780	152,593	90,773	–	–
- third parties	1,093	688	2,859	2,348	3,952	3,036
	17,558	14,468	155,462	93,141	3,962	3,056
Rental deposits	559	558	149	149	708	707
	22,287	20,882	186,407	123,249	20,785	19,856
Prepayments	1,947	2,057	5,391	4,992	7,338	7,049
	24,234	22,939	191,798	128,241	28,123	26,905
Non-current	529	529	145,801	87,078	677	677
Current	23,705	22,410	45,997	41,163	27,446	26,228
	24,234	22,939	191,798	128,241	28,123	26,905

Related corporations refer to related corporations of the H-REIT Manager and the HBT Trustee-Manager. Related entities refer to H-REIT and its subsidiaries or HBT and its subsidiaries (as the case may be).

The H-REIT Group's properties, except Claymore Connect, are leased to 14 (2022: 14) master lessees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8 TRADE AND OTHER RECEIVABLES (CONT'D)

Other receivables from related corporations are unsecured, interest-free and repayable on demand.

Other receivables from related entities comprise mainly loans amounting to $145,652,000 (2022: $86,929,000) which are unsecured, bear interest at rates ranging from 5.00% to 6.80% (2022: 4.24% to 4.70%) and repayment is neither planned nor likely to occur in foreseeable future. The remaining receivables from related entities are unsecured, interest free and repayable on demand.

The exposure of the HBT Group, the H-REIT Group and the Stapled Group to credit risk and impairment losses for trade and other receivables is disclosed in Note 25.

9 CASH AND CASH EQUIVALENTS

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Cash at bank and in hand	14,798	22,621	46,392	30,378	61,190	52,999
Fixed deposits with financial institutions	–	2,928	10,810	41,001	10,810	43,929
Cash and cash equivalents in the statements of financial position	14,798	25,549	57,202	71,379	72,000	96,928
Restricted cash	–	–	(2,017)	(1,628)	(2,017)	(1,628)
Cash and cash equivalents in the statements of cash flows	14,798	25,549	55,185	69,751	69,983	95,300

10 LOANS AND BORROWINGS

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
At amortised cost:						
Non-current						
Secured TMK bond	–	–	28,582	30,947	28,582	30,947
Secured bank loan	–	–	64,170	62,931	64,170	62,931
Unsecured bank loans	90,326	87,274	622,003	660,871	712,329	748,145
Lease liabilities	116,790	125,967	119,924	114,220	136,602	130,416
Loan from related entity	145,652	86,929	–	–	–	–
	352,768	300,170	834,679	868,969	941,683	972,439
Current						
Unsecured bank loans	–	–	347,213	238,753	347,213	238,753
Lease liabilities	8,896	8,010	960	637	1,100	731
	8,896	8,010	348,173	239,390	348,313	239,484
	361,664	308,180	1,182,852	1,108,359	1,289,996	1,211,923

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Secured TMK bond

The TMK bond included in the H-REIT Group relates to a 5-year Japanese Yen denominated bond of $28.8 million (JPY3.1 billion) (2022: $31.4 million (JPY3.1 billion)) issued by H-REIT's indirectly-owned subsidiary, CDLHT Hanei Tokutei Mokuteki Kaisha. H-REIT's interest in its Japan hotels is held via a Tokutei Mokuteki Kaisha ("**TMK**") structure, and such TMK structure is required to issue a bond to fund the acquisition of assets.

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

Secured bank loan

The secured bank loan relates to a 7-year fixed term loan of $64.2 million (€44.0 million) (2022: $63.0 million (€44.0 million)) drawn down by H-REIT's indirectly-owned subsidiary, NKS Hospitality I B.V. ("**NKS**").

As at the reporting date, an investment property, Pullman Hotel Munich, with a carrying value of $152.9 million (€104.8 million) (2022: $149.3 million (€104.3 million)), and certain bank accounts in 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.

Unsecured bank loans

As at the end of the financial year, the Stapled Group has the following facilities and term loans:

Facilities partially drawn down or available for utilisation

(i) $450.0 million committed bilateral multi-currency unsecured revolving credit facilities for a 3-year term (2022: $400.0 million comprises $50.0 million for a 1.5-year term, $200.0 million for a 3-year term and another $150.0 million for a 3-year term). As at the reporting date, $236.4 million (2022: $224.6 million) has been drawn down under these facilities and $213.6 million (2022: $175.4 million) of the facilities remained unutilised.

(ii) $101.2 million (£60.2 million) (2022: $98.0 million (£60.2 million)) committed unsecured term loan, with a maximum repayment period of three years. As at the reporting date, $78.5 million (£46.7 million) (2022: $21.4 million (£13.2 million)) has been drawn down under this facility and $22.7 million (£13.5 million) (2022: $76.6 million (£47.0 million)) of the facility remained unutilised.

(iii) $400.0 million (2022: $400.0 million) uncommitted multi-currency unsecured bridge loan facilities, with a maximum repayment period of one year. As at the reporting date, no amount (2022: $37.5 million (£23.1 million)) has been drawn down under these facilities and $400.0 million (2022: $362.5 million) of the facilities remained unutilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Unsecured bank loans (cont'd)

Term loans fully drawn down

(i) $70.0 million (2022: $190.0 million) fixed rate term loan;

(ii) $203.6 million (2022: $83.6 million) floating rate term loans (swap $60.0 million (2022: nil) to fixed rate with an interest rate swap (Note 11));

(iii) $86.0 million (US$65.0 million) (2022: $87.5 million (US$65.0 million)) floating rate term loan (swap to fixed rate with an interest rate swap (Note 11));

(iv) $90.2 million (2022: $90.2 million) floating rate term loan (swap to fixed rate with a cross-currency interest rate swap (Note 11));

(v) $52.9 million (US$40.0 million) (2022: $53.8 million (US$40.0 million)) floating rate term loan (swap to fixed rate with a cross-currency interest rate swap (Note 11));

(vi) $30.4 million (JPY3.3 billion) (2022: $33.1 million (JPY3.3 billion)) fixed rate term loan;

(vii) $84.0 million (£50.0 million) (2022: $81.3 million (£50.0 million)) floating rate term loan;

(viii) $90.8 million (£54.0 million) (2022: $87.8 million (£54.0 million)) floating rate term loan; and

(ix) $40.5 million (£24.1 million) (2022: nil) floating rate term loan (swap to fixed rate with an interest rate swap (Note 11)).

Lease liabilities

The lease liabilities recognised mainly relate to operating leases in respect of ground leases for investment properties and property, plant and equipment.

Loan from related entity

The loan from related entity under the HBT Group is unsecured, bears interest at rates ranging from 5.00% to 6.80% (2022: 4.24% to 4.70%) and is repayable on demand. On 31 December 2023, the related entity has confirmed that it will not demand for repayment within 12 months of the next financial year.

Unsecured medium term notes

H-REIT's wholly-owned subsidiary, CDLHT MTN Pte. Ltd., has in place a $1.0 billion (2022: $1.0 billion) Multi-currency Medium Term Note Programme. As at 31 December 2023 and 31 December 2022, there were no outstanding notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate %	Year of maturity	Face value $'000	Carrying amount $'000
As at 31 December 2023				
HBT Group				
Unsecured bank loan				
GBP	7.52	2026	90,752	90,326
Loan from related entity				
SGD	5.00	*	2,297	2,297
GBP	5.00 to 6.70	*	123,430	123,430
USD	6.80	*	19,925	19,925
Lease liabilities				
SGD	1.79 to 4.83	2025 to 2040	49,846	39,166
USD	5.05	2033	39,705	31,260
GBP	3.99 to 4.04	2115 to 2147	71,557	16,609
AUD	2.45 to 2.74	2031	42,483	38,651
			439,995	361,664
H-REIT Group				
Secured TMK bond				
JPY	0.71	2025	28,830	28,582
Secured bank loan				
EUR	1.72	2025	64,209	64,170
Unsecured bank loans				
SGD	2.33 to 5.01	2024 to 2028	510,000	507,999
USD	0.58 to 6.80	2024	196,493	196,154
JPY	1.39	2025	30,411	30,331
GBP	2.61 to 6.47	2024 to 2028	232,746	231,726
EUR	5.33	2024	3,006	3,006
Lease liabilities				
SGD	3.41 to 5.44	2028 to 2105	169,481	60,373
USD	5.42 to 5.75	2096 to 2105	86,775	22,977
GBP	3.00	2218	218,924	37,534
			1,540,875	1,182,852
Stapled Group				
Secured TMK bond				
JPY	0.71	2025	28,830	28,582
Secured bank loan				
EUR	1.72	2025	64,209	64,170
Unsecured bank loans				
SGD	2.33 to 5.01	2024 to 2028	510,000	507,999
USD	0.58 to 6.80	2024	196,493	196,154
JPY	1.39	2025	30,411	30,331
GBP	2.61 to 7.52	2024 to 2028	323,499	322,052
EUR	5.33	2024	3,006	3,006
Lease liabilities				
SGD	1.79 to 5.44	2025 to 2105	169,699	60,583
USD	5.42 to 5.75	2096 to 2105	86,775	22,977
GBP	3.00 to 4.04	2115 to 2218	290,480	54,142
			1,703,402	1,289,996

* The loan from related entity is repayable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule (cont'd)

	Nominal interest rate %	Year of maturity	Face value $'000	Carrying amount $'000
As at 31 December 2022				
HBT Group				
Unsecured bank loan				
GBP	5.46	2026	87,831	87,274
Loan from related entity				
SGD	4.24	*	3,511	3,511
GBP	4.24 to 4.70	*	64,361	64,361
USD	4.69	*	19,057	19,057
Lease liabilities				
SGD	1.79 to 3.59	2025 to 2040	52,842	40,940
USD	5.05	2033	44,405	34,166
GBP	3.99 to 4.04	2115 to 2147	69,908	16,085
AUD	2.45 to 2.74	2031	50,629	42,786
			392,544	308,180
H-REIT Group				
Secured TMK bond				
JPY	0.71	2025	31,372	30,947
Secured bank loan				
EUR	1.72	2025	62,999	62,931
Unsecured bank loans				
SGD	2.33 to 4.32	2023 to 2026	495,840	493,588
USD	0.58 to 5.52	2024	198,086	197,814
JPY	1.39	2025	33,092	32,964
GBP	2.47 to 4.70	2023 to 2025	173,141	172,308
EUR	3.09	2024	2,950	2,950
Lease liabilities				
SGD	3.12 to 3.41	2026 to 2105	167,490	57,152
USD	1.64 to 5.75	2023 to 2105	92,247	23,106
GBP	3.00	2218	202,826	34,599
			1,460,043	1,108,359
Stapled Group				
Secured TMK bond				
JPY	0.71	2025	31,372	30,947
Secured bank loan				
EUR	1.72	2025	62,999	62,931
Unsecured bank loans				
SGD	2.33 to 4.32	2023 to 2026	495,840	493,588
USD	0.58 to 5.52	2024	198,086	197,814
JPY	1.39	2025	33,092	32,964
GBP	2.47 to 5.46	2023 to 2026	260,972	259,582
EUR	3.09	2024	2,950	2,950
Lease liabilities				
SGD	1.79 to 3.59	2025 to 2105	167,704	57,357
USD	1.64 to 5.75	2023 to 2105	92,247	23,106
GBP	3.00 to 4.04	2115 to 2218	272,733	50,684
			1,617,995	1,211,923

* The loan from related entity is repayable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	HBT Group			H-REIT Group			Stapled Group		
	Loans and borrowings	Lease liabilities	Interest payables	Loans and borrowings	Lease liabilities	Interest payables	Loans and borrowings	Lease liabilities	Interest payables
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 January 2023	174,203	133,977	355	993,502	114,857	3,186	1,080,776	131,147	3,541
Changes from financing cash flows									
Loan from related entity	50,205	–	–	–	–	–	–	–	–
Proceeds from bank loans	–	–	–	417,638	–	–	417,638	–	–
Repayment of bank loans	–	–	–	(352,349)	–	–	(352,349)	–	–
Payment of transaction costs related to borrowings	(15)	–	–	(1,796)	–	–	(1,811)	–	–
Payment of lease liabilities	–	(7,978)	–	–	(718)	–	–	(853)	–
Finance costs paid	–	(4,589)	(5,513)	–	(4,255)	(37,479)	–	(4,926)	(42,991)
Total changes from financing cash flows	50,190	(12,567)	(5,513)	63,493	(4,973)	(37,479)	63,478	(5,779)	(42,991)
Effect of changes in foreign exchange rates	5,802	(442)	18	2,949	1,072	60	5,870	1,606	77
Other changes									
Liability-related									
Addition of lease liabilities	–	126	–	–	5,407	–	–	5,533	–
Remeasurement of lease liabilities	–	3	–	–	1,770	–	–	1,773	–
Derecognition of lease liabilities	–	–	–	–	(1,504)	–	–	(1,504)	–
Amortisation of transaction costs	146	–	–	2,024	–	–	2,170	–	–
Interest expense capitalised	3,741	–	–	–	–	–	–	–	1,847
Interest expense	1,896	4,589	6,168	–	4,255	38,140	–	4,926	42,461
Total liability-related other changes	5,783	4,718	6,168	2,024	9,928	38,140	2,170	10,728	44,308
Balance at 31 December 2023	235,978	125,686	1,028	1,061,968	120,884	3,907	1,152,294	137,702	4,935

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities (cont'd)

	HBT Group			H-REIT Group			Stapled Group		
	Loans and borrowings	Lease liabilities	Interest payables	Loans and borrowings	Lease liabilities	Interest payables	Loans and borrowings	Lease liabilities	Interest payables
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 January 2022	170,824	145,595	192	1,000,591	74,323	1,862	1,098,719	92,453	2,054
Changes from financing cash flows									
Loan from related entity	18,527	–	–	–	–	–	–	–	–
Proceeds from bank loans	92,264	–	–	372,549	–	–	464,813	–	–
Repayment of bank loans	(92,264)	–	–	(329,582)	–	–	(421,846)	–	–
Payment of transaction costs related to borrowings	(568)	–	–	(2,726)	–	–	(3,294)	–	–
Payment of lease liabilities	–	(4,963)	–	–	(948)	–	–	(1,100)	–
Finance costs paid	–	(4,965)	(2,592)	–	(3,812)	(23,002)	–	(4,495)	(25,594)
Total changes from financing cash flows	17,959	(9,928)	(2,592)	40,241	(4,760)	(23,002)	39,673	(5,595)	(25,594)
Effect of changes in foreign exchange rates	(17,308)	(5,473)	(45)	(49,420)	(4,483)	(150)	(59,858)	(6,396)	(195)
Other changes									
Liability-related									
Acquisition of subsidiary	–	–	–	–	37,005	–	–	37,005	–
Addition of lease liabilities	–	225	–	–	–	–	–	225	–
Remeasurement of lease liabilities	–	(1,407)	–	–	8,960	–	–	8,960	–
Amortisation of transaction costs	152	–	–	2,090	–	–	2,242	–	–
Interest expense capitalised	1,515	–	122	–	–	–	–	–	785
Interest expense	1,061	4,965	2,678	–	3,812	24,476	–	4,495	26,491
Total liability-related other changes	2,728	3,783	2,800	2,090	49,777	24,476	2,242	50,685	27,276
Balance at 31 December 2022	174,203	133,977	355	993,502	114,857	3,186	1,080,776	131,147	3,541

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Re-measurement of lease liabilities

Financial year ended 31 December 2023

During the financial year:

(i) the lease payments for a leased building of the HBT Group have been revised; and

(ii) the lease payments for a leasehold land of the H-REIT Group have been revised.

There were no other changes to the original terms and conditions of leases. The HBT Group, the H-REIT Group and the Stapled Group accounted these leases as lease modification that is not accounted for as a separate lease. The difference between the carrying amount of lease liabilities before the modification and the carrying amount of the modified lease liabilities of:

(i) a $3,000 increase for the HBT Group and the Stapled Group has been recognised as an adjustment to the ROU assets in property, plant and equipment; and

(ii) a $1,770,000 increase for the H-REIT Group and the Stapled Group has been recognised as an adjustment to the ROU assets in investment properties.

Financial year ended 31 December 2022

During the financial year:

(i) the lease payments with related entity for a leased building of the HBT Group had been revised; and

(ii) the lease tenor and lease payments for leasehold lands of the H-REIT Group had been extended and revised respectively.

There were no other changes to the original terms and conditions of leases. The HBT Group, the H-REIT Group and the Stapled Group accounted these leases as lease modification that is not accounted for as a separate lease. The difference between the carrying amount of lease liabilities before the modification and the carrying amount of the modified lease liabilities of:

(i) a $1,407,000 decrease for the HBT Group had been recognised as an adjustment to the ROU assets in property, plant and equipment; and

(ii) a $8,960,000 increase for the H-REIT Group and the Stapled Group had been recognised as an adjustment to the ROU assets in investment properties and/or property, plant and equipment (as the case may be).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 FINANCIAL DERIVATIVES

	HBT Group		H-REIT Group		Stapled Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Non-current assets						
Cross-currency interest rate swaps	–	–	–	9,362	–	9,362
Interest rate swaps	–	–	8,300	16,974	8,300	16,974
	–	–	8,300	26,336	8,300	26,336
Current assets						
Cross-currency interest rate swap	–	–	2,773	–	2,773	–
Interest rate swap	–	–	3,432	–	3,432	–
Forward exchange contracts	–	–	5	83	5	83
	–	–	6,210	83	6,210	83
Non-current liabilities						
Cross-currency interest rate swap	–	–	817	–	817	–
Interest rate swaps	–	–	659	–	659	–
	–	–	1,476	–	1,476	–
Current liabilities						
Forward exchange contracts	–	–	30	163	30	163

Forward exchange contracts

The H-REIT Group uses forward foreign exchange contracts to manage its exposure to foreign currencies.

As at 31 December 2023, the H-REIT Group and the Stapled Group have forward exchange contracts with a total notional amounts of $5.8 million (2022: $6.1 million) respectively.

Cross-currency interest rate swaps

The H-REIT Group uses cross-currency interest rate swaps to manage its exposure to foreign currency risk and interest rate risk associated with movements in foreign exchange rates and interest rates.

As at 31 December 2023, the H-REIT Group and the Stapled Group have cross-currency interest rate swaps with notional amounts of:

(i) $90.2 million (2022: $90.2 million) to swap $90.2 million (2022: $90.2 million) at floating rate to €64.0 million (2022: €64.0 million) at fixed rate; and

(ii) $52.9 million (US$40.0 million) (2022: $53.8 million (US$40.0 million)) to swap US$40.0 million (2022: US$40.0 million) at floating rate to €35.5 million (2022: €35.5 million) at fixed rate.

Interest rate swaps

The H-REIT Group uses interest rate swaps to manage its exposure to interest rate risk.

As at 31 December 2023, the H-REIT Group and the Stapled Group have interest rate swaps with notional amounts of:

(i) $86.0 million (US$65.0 million) (2022: $87.5 million (US$65.0 million)) to swap floating rate to fixed rate;

(ii) $122.1 million (£72.6 million) (2022: $57.2 million (£35.2 million)) to swap floating rate to fixed rate; and

(iii) $60.0 million (2022: Nil) to swap floating rate to fixed rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 TRADE AND OTHER PAYABLES

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Trade payables:						
- related corporations	–	–	503	1,277	503	1,277
- the H-REIT Manager	–	–	176	218	176	218
- related entities	28,645	27,504	–	–	–	–
- third parties	5,044	7,115	5,363	990	10,407	8,105
	33,689	34,619	6,042	2,485	11,086	9,600
Other payables:						
- related corporations	–	25	81	138	81	163
- the H-REIT Manager	20	19	201	36	221	55
- the HBT Trustee-Manager	373	134	–	–	373	134
- related entities	6,941	3,844	16,465	13,780	–	–
- third parties	8,318	5,602	1,278	1,934	9,596	7,536
	15,652	9,624	18,025	15,888	10,271	7,888
Accruals	13,198	14,552	16,483	13,450	29,683	28,003
Rental deposits						
- related corporations	–	–	9,237	8,947	9,237	8,947
- third parties	5	–	2,547	2,320	2,552	2,320
Interest payable	1,028	355	3,907	3,186	4,935	3,541
Deferred income	3,723	758	512	474	4,235	1,232
	67,295	59,908	56,753	46,750	71,999	61,531
Non-current	74	77	11,665	11,606	11,739	11,683
Current	67,221	59,831	45,088	35,144	60,260	49,848
	67,295	59,908	56,753	46,750	71,999	61,531

Related corporations refer to related corporations of the H-REIT Manager and the HBT Trustee-Manager. Related entities refer to H-REIT and its subsidiaries or HBT and its subsidiaries (as the case may be).

Outstanding payables to the related corporations, related entities, the H-REIT Manager and the HBT Trustee-Manager are unsecured, interest-free and repayable on demand.

Included in accruals of the H-REIT Group and the Stapled Group are the following:

- amounts payable to the H-REIT Trustee and the H-REIT Manager of $72,000 (2022: $65,000) and $1,254,000 (2022: $1,146,000) respectively; and
- amounts payable to related corporations of nil (2022: $3,853,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 TRADE AND OTHER PAYABLES (CONT'D)

For the HBT Group, deferred income relates primarily to advance consideration received from customers of hotel business. Deferred income is a contract liability under SFRS(I) 15. Deferred income is recognised as revenue when the HBT Group fulfils its performance obligation under the contract with the customer. Changes in the deferred income during the year are as follows:

	HBT Group	
	2023	2022
	$'000	$'000
Revenue recognised that was included in deferred income at the beginning of the year	(758)	(934)
Increase due to cash received, excluding amounts recognised as revenue during the year	3,723	758

13 DEFERRED TAX

Recognised deferred tax assets and liabilities

Movement in deferred tax balances (prior to offsetting of balances) during the year are as follows:

	Balance as at 1/1/2022	Recognised in profit or loss (Note 21)	Recognised in other comprehen-sive income	Exchange differences	Balance as at 31/12/2022	Recognised in profit or loss (Note 21)	Recognised in other comprehen-sive income	Exchange differences	Balance as at 31/12/2023
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
HBT Group									
Deferred tax assets									
Tax losses carried forward	(1,599)	872	–	98	(629)	(1,316)	–	(17)	(1,962)
Lease liabilities	–	–	–	–	–	(6,658)	–	–	(6,658)
	(1,599)	872	–	98	(629)	(7,974)	–	(17)	(8,620)
Deferred tax liabilities									
Investment property under development	–	–	–	–	–	4,672	–	37	4,709
Property, plant and equipment (includes right-of-use assets)	15,375	422	3,376	(1,815)	17,358	5,974	3,144	600	27,076
	15,375	422	3,376	(1,815)	17,358	10,646	3,144	637	31,785
	13,776	1,294	3,376	(1,717)	16,729	2,672	3,144	620	23,165

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 DEFERRED TAX (CONT'D)

Recognised deferred tax assets and liabilities (cont'd)

	Balance as at 1/1/2022	Recognised in statement of total return (Note 21)	Recognised in statement of unitholders' funds	Exchange differences	Balance as at 31/12/2022	Recognised in statement of total return (Note 21)	Recognised in statement of unitholders' funds	Exchange differences	Balance as at 31/12/2023
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group									
Deferred tax assets									
Tax losses carried forward	(789)	–	–	52	(737)	–	–	(14)	(751)
Deferred tax liabilities									
Investment properties	4,737	785	–	(374)	5,148	6,917	–	(40)	12,025
Property, plant and equipment	1,966	–	1,124	(279)	2,811	–	1,820	(227)	4,404
	6,703	785	1,124	(653)	7,959	6,917	1,820	(267)	16,429
	5,914	785	1,124	(601)	7,222	6,917	1,820	(281)	15,678
Stapled Group									
Deferred tax assets									
Tax losses carried forward	(2,388)	872	–	151	(1,365)	(1,316)	–	(32)	(2,713)
Lease liabilities	–	–	–	–	–	(36)	–	–	(36)
	(2,388)	872	–	151	(1,365)	(1,352)	–	(32)	(2,749)
Deferred tax liabilities									
Investment property under development	–	–	–	–	–	4,672	–	37	4,709
Property, plant and equipment (includes right-of-use assets)	23,108	1,005	4,500	(2,532)	26,081	8,332	4,964	342	39,719
	23,108	1,005	4,500	(2,532)	26,081	13,004	4,964	379	44,428
	20,720	1,877	4,500	(2,381)	24,716	11,652	4,964	347	41,679

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 DEFERRED TAX (CONT'D)

Recognised deferred tax assets and liabilities (cont'd)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. The amounts, determined after appropriate offsetting, are as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Deferred tax assets	721	426	751	737	1,472	1,162
Deferred tax liabilities	(23,886)	(17,155)	(16,429)	(7,959)	(43,151)	(25,878)
	(23,165)	(16,729)	(15,678)	(7,222)	(41,679)	(24,716)

Under FRS 12 / SFRS(I) 1-12 *Income Taxes*, deferred tax is not recognised for temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting or taxable profit or loss. As at 31 December 2023, the H-REIT Group and the Stapled Group have not recognised deferred tax liabilities of $26.1 million (2022: $23.6 million) relating to temporary differences on the initial recognition of assets and liabilities of the subsidiaries acquired.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the HBT Group, the H-REIT Group and the Stapled Group can utilise the benefits therefrom.

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Tax losses	35,779	33,021	22,884	20,328	58,663	53,349

Tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the subsidiaries operate. The tax losses under the Stapled Group of $58,244,000 (2022: $53,013,000) will expire between 2024 to 2028 (2022: 2023 to 2027). The remaining tax losses do not expire under current tax legislation.

14 NON-CONTROLLING INTERESTS

The following subsidiaries have non-controlling interests:

Name	Principal places of business/Country of incorporation	Operating Segment	Ownership interests held by NCI	
			2023	2022
			%	%
CDLHT CFM III B.V.	Netherlands	Italy	5.0	5.0
NKS Hospitality I B.V.	Netherlands	Germany	5.1	5.1
Munich Furniture B.V.	Netherlands	Germany	5.1	5.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 NON-CONTROLLING INTERESTS (CONT'D)

The following summarised financial information for the above subsidiaries is prepared in accordance with FRS, modified for fair value adjustments on acquisition and differences in the Stapled Group's accounting policies.

	H-REIT Group and Stapled Group			
	CDLHT CFM III B.V.	NKS Hospitality I B.V.	Munich Furniture B.V.	Total
	$'000	$'000	$'000	$'000
2023				
Revenue	5,576	9,671	1,007	16,254
Profit and total comprehensive income	9,408	5,099	434	14,941
Attributable to NCI:				
- Profit and total comprehensive income	471	260	22	753
Non-current assets	65,674	148,356	3,736	217,766
Current assets	6,977	14,307	3,322	24,606
Non-current liabilities	(16,631)	(64,171)	–	(80,802)
Current liabilities	(1,857)	(4,448)	(957)	(7,262)
Net assets	54,163	94,044	6,101	154,308
Net assets attributable to NCI	2,708	4,797	311	7,816
Cash flows from operating activities	172	311	(6)	
Cash flows from investing activities	(40)	(10)	(4)	
Cash flows from financing activities	–	(56)	–	
Net increase/(decrease) in cash and cash equivalents	132	245	(10)	
2022				
Revenue	3,385	8,015	1,010	12,410
(Loss)/Profit and total comprehensive income	(73)	1,983	391	2,301
Attributable to NCI:				
- (Loss)/Profit and total comprehensive income	(4)	101	20	117
Non-current assets	56,705	144,234	4,276	205,215
Current assets	3,969	7,554	2,687	14,210
Non-current liabilities	(15,578)	(62,931)	–	(78,509)
Current liabilities	(1,228)	(2,305)	(712)	(4,245)
Net assets	43,868	86,552	6,251	136,671
Net assets attributable to NCI	2,193	4,414	319	6,926
Cash flows from operating activities	84	236	17	
Cash flows from investing activities	(7)	(40)	(4)	
Cash flows from financing activities	–	(55)	–	
Net increase in cash and cash equivalents	77	141	13	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 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 are as follows:

	2023 '000	2022 '000
Units/Stapled Securities in issue:		
At 1 January	1,237,020	1,230,012
Creation of Units/Stapled Securities:		
- H-REIT Manager's management fees paid in Stapled Securities	8,091	6,393
- HBT Trustee-Manager's management fees paid in Stapled Securities	721	615
At 31 December	1,245,832	1,237,020
Units/Stapled Securities to be issued:		
H-REIT Manager's management fees payable in Stapled Securities	5,429	4,453
HBT Trustee-Manager's management fees payable in Stapled Securities	463	332
At 31 December	5,892	4,785
Units/Stapled Securities, in issue and to be issued	1,251,724	1,241,805

Financial year ended 31 December 2023

(i) During the financial year, the following Stapled Securities were issued:

- 8,091,477 Stapled Securities at unit prices ranging from $1.0507 to $1.2283 per Stapled Security, amounting to $9,619,000, were issued as satisfaction of the H-REIT Manager's management fees payable in Stapled Securities; and
- 720,643 Stapled Securities at unit prices ranging from $1.0507 to $1.2283 per Stapled Security, amounting to $850,000, were issued as satisfaction of the HBT Trustee-Manager's management fees payable in Stapled Securities.

(ii) 5,429,281 Stapled Securities at a unit price of $1.0981 per Stapled Security, amounting to $5,962,000, will be issued subsequent to year end as satisfaction of the H-REIT Manager's base fee for the period from 1 October 2023 to 31 December 2023 and performance fee for the financial year ended 31 December 2023.

(iii) 462,861 Stapled Securities at a unit price of $1.0981 per Stapled Security, amounting to $508,000, will be issued subsequent to year end as satisfaction of the HBT Trustee-Manager's base fee for the period from 1 October 2023 to 31 December 2023 and performance fee for the financial year ended 31 December 2023.

Financial year ended 31 December 2022

(i) During the financial year, the following Stapled Securities were issued:

- 6,392,689 Stapled Securities at unit prices ranging from $1.1431 to $1.2956 per Stapled Security, amounting to $7,640,000, were issued as satisfaction of the H-REIT Manager's management fees payable in Stapled Securities; and
- 615,154 Stapled Securities at unit prices ranging from $1.1431 to $1.2956 per Stapled Security, amounting to $738,000, were issued as satisfaction of the HBT Trustee-Manager's management fees payable in Stapled Securities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 UNITS/STAPLED SECURITIES IN ISSUE AND TO BE ISSUED (CONT'D)

Financial year ended 31 December 2022 (cont'd)

(ii) 4,453,213 Stapled Securities at a unit price of $1.2283 per Stapled Security, amounting to $5,470,000, were issued subsequent to year end as satisfaction of the H-REIT Manager's base fee for the period from 1 October 2022 to 31 December 2022 and performance fee for the financial year ended 31 December 2022.

(iii) 332,028 Stapled Securities at a unit price of $1.2283 per Stapled Security, amounting to $408,000, were issued subsequent to year end as satisfaction of the HBT Trustee-Manager's base fee for the period from 1 October 2022 to 31 December 2022 and performance fee for the financial year ended 31 December 2022.

Capital management

The Boards of the H-REIT Manager and the HBT Trustee-Manager have a policy to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of unitholders' funds. The Boards monitor the yield of the property portfolio, which is defined as net property income from the property divided by the latest valuation for the property. The Boards also monitor the level of distributions made to holders of Stapled Securities.

The Boards seek to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

H-REIT is subject to the aggregate leverage limit as defined in the Property Funds Appendix of the CIS Code issued by the MAS. The CIS Code stipulates that the total borrowings and deferred payments (together the "**Aggregate Leverage**") of a property fund should not exceed 45.0% or up to a maximum of 50% if the property fund has a minimum adjusted interest coverage ratio of 2.5 times.

The Aggregate Leverage of H-REIT as at 31 December 2023 was 36.7% (2022: 35.5%) of the H-REIT Group's Deposited Property which were within the limit described in the CIS code.

The HBT Group, the H-REIT Group and the Stapled Group are in compliance with the borrowing limit requirements imposed by the relevant Trust Deeds for the financial year ended 31 December 2023 and 31 December 2022. There were no substantial changes in the HBT Group's, the H-REIT Group's and the Stapled Group's approach to capital management during the year.

16 NET ASSET VALUE PER UNIT/STAPLED SECURITY

		HBT Group		H-REIT Group		Stapled Group	
	Note	2023	2022	2023	2022	2023	2022
		$'000	$'000	$'000	$'000	$'000	$'000
Net asset value per Unit/ Stapled Security is based on:							
Net assets attributable to holders of Stapled Securities		6,356	7,011	1,819,229	1,750,373	1,878,446	1,786,218
Total issued and to be issued Units/Stapled Securities at 31 December	15	1,251,724	1,241,805	1,251,724	1,241,805	1,251,724	1,241,805

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17 REVENUE

	HBT Group		H-REIT Group		Stapled Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Revenue from contract with customers:						
- Hotel revenue	141,985	129,170	–	–	141,985	129,170
Rental income						
- Fixed rent	–	–	71,761	65,292	59,872	39,643
- Variable rent	–	–	72,951	64,292	55,699	60,543
	141,985	129,170	144,712	129,584	257,556	229,356

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 revenue

Rental revenue for the H-REIT Group includes rental income from the HBT Group and related corporations of the H-REIT Manager of $29,141,000 (2022: $29,398,000) and $79,052,000 (2022: $70,711,000), 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.

18 MANAGEMENT FEES

	HBT Group		H-REIT Group		Stapled Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
H-REIT Manager's management fee						
- Base fee	–	–	6,993	6,562	6,993	6,562
- Performance fee	–	–	5,646	5,140	5,646	5,140
	–	–	12,639	11,702	12,639	11,702
HBT Trustee-Manager's management fee						
- Base fee	762	680	–	–	762	680
- Performance fee	426	335	–	–	426	335
	1,188	1,015	–	–	1,188	1,015

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18 MANAGEMENT FEES (CONT'D)

H-REIT Manager's management fee

Included in the H-REIT Manager's fees is an aggregate of 9,067,545 (2022: 7,567,151) Stapled Securities, amounting to approximately $10,111,000 (2022: $9,362,000), that have been or will be issued to the H-REIT Manager as satisfaction of the H-REIT Manager's management fees payable in Stapled Securities, at unit prices ranging from $1.0507 to $1.2132 (2022: $1.2002 to $1.2956) per Stapled Security.

HBT Trustee-Manager's management fee

Included in the HBT Trustee-Manager's fees is an aggregate of 851,476 (2022: 655,495) Stapled Securities, amounting to approximately $950,000 (2022: $812,000), that have been or will be issued to the HBT Trustee-Manager as satisfaction of the HBT Trustee-Manager's management fees payable in Stapled Securities, at unit prices ranging from $1.0507 to $1.2132 (2022: $1.2002 to $1.2956) per Stapled Security.

19 FINANCE INCOME AND FINANCE COSTS

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Finance income						
Interest income under the effective interest method on:						
- cash and cash equivalents	86	44	613	342	698	386
- finance lease receivables	–	–	151	62	151	62
- loan to related entity	–	–	5,637	2,577	–	–
	86	44	6,401	2,981	849	448
Fair value gains on financial derivatives designated at FVTPL	–	–	–	40,196	–	40,196
Net foreign exchange gain	–	8,089	787	–	–	–
	86	8,133	7,188	43,177	849	40,644
Finance costs						
Financial liabilities measured at amortised cost:						
- interest expense on:						
- loans and borrowings	(6,168)	(2,678)	(38,140)	(24,476)	(42,461)	(26,491)
- lease liabilities	(4,589)	(4,965)	(4,255)	(3,812)	(4,926)	(4,495)
- loan from related entity	(1,896)	(1,061)	–	–	–	–
- amortisation of transaction costs on loans and borrowings	(146)	(152)	(2,024)	(2,090)	(2,170)	(2,242)
- financial expense arising from accretion of non-current rental deposits	–	–	(271)	(261)	(271)	(261)
	(12,799)	(8,856)	(44,690)	(30,639)	(49,828)	(33,489)
Fair value losses on financial derivatives designated at FVTPL	–	–	(13,333)	–	(13,333)	–
Net foreign exchange losses	(3,732)	–	–	(8,273)	(149)	(11,591)
	(16,531)	(8,856)	(58,023)	(38,912)	(63,310)	(45,080)
Net finance (costs)/income	(16,445)	(723)	(50,835)	4,265	(62,461)	(4,436)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20 (LOSS)/PROFIT/TOTAL RETURN BEFORE TAX

(Loss)/Profit/Total return before tax is arrived at after charging/(crediting) the following items:

	HBT Group		H-REIT Group		Stapled Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Audit fees paid to:						
- auditors of HBT/H-REIT	154	189	416	370	570	559
- other auditors	431	420	306	257	737	677
Non-audit fees paid to:						
- auditors of HBT/H-REIT	158	21	181	131	339	152
- other auditors	149	145	81	98	230	243
Employee benefit expenses						
- salaries, bonuses and other costs	42,481	38,903	–	–	42,481	38,903
- contributions to defined contribution plans	3,013	2,141	–	–	3,013	2,141
	45,494	41,044	–	–	45,494	41,044
Less: Government grants received	(280)	(612)	–	–	(280)	(612)
	45,214	40,432	–	–	45,214	40,432
Impairment loss on trade and other receivables	93	127	2,333	–	255	127
(Reversal of revaluation deficit)/ Revaluation deficit on property, plant and equipment	(3,158)	3,667	–	(409)	(943)	(13,250)
Depreciation of property, plant and equipment	16,471	16,771	1,877	1,487	21,931	20,984
Write-off of property, plant and equipment	410	–	–	56	410	67
Cost of inventories	14,327	14,105	–	–	14,327	14,105
Operating expenses arising from rental of investment properties	–	–	15,770	10,964	8,287	6,539

Employee benefit expenses above include staff-related costs reimbursed to hotel managers of the respective hotels. For 2022, the expenses are set-off by government grants received, which consist of subsidies provided by the respective local governments as wage support during the period of uncertainty arising from the COVID-19 pandemic.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21 TAX EXPENSE

	HBT Group		H-REIT Group		Stapled Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Current tax expense						
Current year	2,095	2,231	3,511	1,890	5,606	4,121
(Over)/Under provision in prior years	(383)	289	(812)	167	(1,195)	456
	1,712	2,520	2,699	2,057	4,411	4,577
Withholding tax	395	144	1,333	1,180	1,728	1,324
Deferred tax expense						
Origination and reversal of temporary differences (Note 13)	2,672	1,294	6,917	785	11,652	1,877
Tax expense	4,779	3,958	10,949	4,022	17,791	7,778
Reconciliation of effective tax rate						
(Loss)/Profit/Total return for the year before tax	(7,232)	732	140,180	247,882	141,756	223,170
Tax calculated using Singapore tax rate of 17%	(1,230)	124	23,831	42,140	24,099	37,939
Effect of tax in a foreign jurisdiction	1,303	(843)	4,308	2,363	5,611	1,520
Non-tax deductible items	4,837	4,672	10,430	4,031	17,796	8,703
Non-taxable items	(1,638)	(3,190)	(16,217)	(35,982)	(19,819)	(34,847)
Tax exempt income	(17)	(17)	(800)	(1,290)	(817)	(1,307)
Tax transparency	–	–	(9,645)	(9,902)	(9,645)	(9,902)
Current year tax losses for which no deferred tax asset was recognised	1,885	1,485	443	530	2,328	2,015
Change in unrecognised temporary difference	(373)	1,294	(1,922)	785	(2,295)	1,877
Withholding tax expense	395	144	1,333	1,180	1,728	1,324
(Over)/Under provision in prior years	(383)	289	(812)	167	(1,195)	456
	4,779	3,958	10,949	4,022	17,791	7,778

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22 LOSS/TOTAL RETURN FOR THE YEAR

	HBT Group		H-REIT Group		Stapled Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Comprises loss/total return of:						
- H-REIT	–	–	141,424	223,185	141,424	223,185
- Other H-REIT Group entities*	–	–	(12,193)	20,675	(12,193)	20,675
- HBT	(3,658)	(24,660)	–	–	(3,658)	(24,660)
- Other HBT Group entities*	(8,353)	21,434	–	–	(8,353)	21,434
- Stapled Group's consolidation adjustments	–	–	–	–	6,745	(25,242)
	(12,011)	(3,226)	129,231	243,860	123,965	215,392

* including consolidation adjustments

23 EARNINGS PER STAPLED SECURITY

Earnings per Stapled Security is based on:

	Stapled Group	
	2023 $'000	2022 $'000
Total return for the year attributable to holders of Stapled Securities	123,212	215,275

	Number of Stapled Securities	
	2023 '000	2022 '000
Weighted average number of Stapled Securities used in arriving at basic earnings per Stapled Security:		
- outstanding during the year	1,243,802	1,235,311
- to be issued as payment of H-REIT Manager's and/or HBT Trustee-Manager's management fees payable in Stapled Securities	7	7
	1,243,809	1,235,318
Weighted average number of Stapled Securities used in arriving at diluted earnings per Stapled Security:		
- weighted average number of Stapled Securities (basic)	1,243,809	1,235,318
- effect of H-REIT Manager's and/or HBT Trustee-Manager's management fees paid/payable in Stapled Securities	7,915	6,487
	1,251,724	1,241,805

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23 EARNINGS PER STAPLED SECURITY (CONT'D)

	Stapled Group	
	2023	2022
Earnings per Stapled Security (cents)		
Basic	9.91	17.43
Diluted	9.84	17.35

24 OPERATING SEGMENTS

In 2023, the HBT Group, the H-REIT Group and the Stapled Group have 5, 8 and 8 (2022: 5, 8 and 8) reportable segments, respectively, as described below. All the segments relate to properties operated as hotels, resorts and/or a residential BTR (under development). Each segment is managed separately because of the differences in operating and regulatory environment. The Board of Directors ("**BOD**") of the HBT Trustee-Manager and the H-REIT Manager review the internal management reports for the segments at least quarterly.

The number of properties included in each reportable segment is set out below:

	Number of properties					
	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
Reportable segment						
Singapore	1	1	6	6	6	6
New Zealand	–	–	1	1	1	1
Australia	2	2	2	2	2	2
Germany	–	–	1	1	1	1
Italy	–	–	1	1	1	1
Maldives	1	1	2	2	2	2
Japan	2	2	2	2	2	2
United Kingdom (UK)	3	3	1	1	4	4

Other operations of the H-REIT Group and the Stapled Group include Claymore Connect which is leased to individual tenants and is operated as a retail space.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment net property income, as included in the internal management reports that are reviewed by the BOD of the HBT Trustee-Manager or the H-REIT Manager. Segment net property income is used to measure performance as the HBT Trustee-Manager or the H-REIT Manager believes that such information is the most relevant in evaluating the results of the segments relative to other entities that operate within the same industry.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments

	Singapore $'000	Australia $'000	Maldives $'000	Japan $'000	UK $'000	Total $'000
HBT Group						
2023						
Hotel revenue – external	58,719	20,241	13,823	8,117	41,085	141,985
Reportable segment net property income/(loss)	3,516	4,750	(159)	266	10,988	19,361
Depreciation of property, plant and equipment	(2,368)	(4,192)	(2,832)	–	(7,079)	(16,471)
Fair value gain on investment property under development					6,735	6,735
Reversal of revaluation deficit on property, plant and equipment					3,158	3,158
Unallocated items:						
- HBT Trustee-Manager's management fee						(1,188)
- HBT Trustee-Manager's trustee fee						(305)
- Valuation fees						(53)
- Other expenses						(2,024)
- Finance income						86
- Finance costs						(16,531)
- Tax expense						(4,779)
Loss for the year						(12,011)
Other material non-cash items						
(Impairment loss)/Reversal of impairment loss on trade receivables	(6)	–	(118)	–	31	(93)
Reportable segment assets						
Capital expenditure:						
- Property, plant and equipment	–	–	–	–	3,238	3,238
- Investment property under development	–	–	–	–	62,491	62,491
Non-current assets^	37,279	31,003	27,931	–	323,654	419,867

^ Excluding deferred tax assets and other receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore $'000	Australia $'000	Maldives $'000	Japan $'000	UK $'000	Total $'000
HBT Group						
2022						
Hotel revenue – external	53,052	17,532	14,906	4,558	39,122	129,170
Reportable segment net property income	3,761	2,287	1,591	54	10,044	17,737
Depreciation of property, plant and equipment	(2,406)	(4,505)	(2,900)	–	(6,960)	(16,771)
Fair value gain on investment property under development	–	–	–	–	6,374	6,374
Revaluation deficit on property, plant and equipment	–	–	–	–	(3,667)	(3,667)
Unallocated items:						
- HBT Trustee-Manager's management fee						(1,015)
- HBT Trustee-Manager's trustee fee						(272)
- Valuation fee						(42)
- Other expenses						(889)
- Finance income						8,133
- Finance costs						(8,856)
- Tax expense						(3,958)
Loss for the year						(3,226)
Other material non-cash items						
Impairment loss on trade receivables	(9)	–	–	–	(118)	(127)
Reportable segment assets						
Capital expenditure:						
- Property, plant and equipment	–	–	–	–	4,650	4,650
- Investment property under development	–	–	–	–	30,326	30,326
Non-current assets^	39,518	35,579	31,235	–	237,744	344,076

^ Excluding deferred tax assets and other receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore	New Zealand	Australia	Germany	Maldives	Japan	Italy	UK	Total reportable segments	Others	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group											
2023											
Rental revenue	87,559	7,251	5,481	10,678	12,551	3,874	5,576	4,165	137,135	7,577	144,712
Reportable segment net property income	79,778	7,251	4,281	9,459	9,157	3,595	5,344	4,165	123,030	5,633	128,663
Depreciation of property, plant and equipment	–	–	–	–	(510)	(1,367)	–	–	(1,877)	–	(1,877)
Net fair value gain/ (loss) on investment properties	121,223	(25,441)	(5,203)	(1,479)	(16,681)	–	6,367	2,001	80,787	–	80,787
Unallocated items:											
- H-REIT Manager's management fee											(12,639)
- H-REIT Trustee's fee											(409)
- Valuation fees											(208)
- Other expenses											(3,302)
- Finance income											7,188
- Finance costs											(58,023)
- Tax expense											(10,949)
Total return for the year											129,231
Other material non-cash items											
Impairment loss on trade receivables	(162)	–	–	–	(2,171)	–	–	–	(2,333)	–	(2,333)
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	22,155	5,091	876	274	4,530	271	787	–	33,984	–	33,984
Non-current assets^	1,954,228	176,248	62,148	152,935	149,936	70,587	66,398	79,549	2,712,029	110,000	2,822,029

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore	New Zealand	Australia	Germany	Maldives	Japan	Italy	UK	Total reportable segments	Others	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group											
2022											
Rental revenue	76,526	10,483	7,587	9,025	11,951	1,387	3,385	3,502	123,846	5,738	129,584
Reportable segment net property income	71,966	10,483	5,929	7,395	10,814	1,100	3,203	3,502	114,392	3,940	118,332
Depreciation of property, plant and equipment	–	–	–	–	(128)	(1,359)	–	–	(1,487)	–	(1,487)
Net fair value gain/ (loss) on investment properties	146,809	3,934	(2,549)	(3,385)	(112)	–	(1,655)	(254)	142,788	–	142,788
Reversal of revaluation deficit on property, plant and equipment	–	–	–	–	–	409	–	–	409	–	409
Unallocated items:											
- H-REIT Manager's management fee											(11,702)
- H-REIT Trustee's fee											(375)
- Valuation fee											(149)
- Other expenses											(4,199)
- Finance income											43,177
- Finance costs											(38,912)
- Tax expense											(4,022)
Total return for the year											243,860
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	574	274	443	867	4,515	10	150	–	6,833	–	6,833
Non-current assets^	1,820,849	199,304	67,037	149,337	165,130	66,994	57,415	73,309	2,599,375	100,000	2,699,375

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore	New Zealand	Australia	Germany	Maldives	Japan	Italy	UK	Total reportable segments	Others	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group											
2023											
Rental revenue	71,801	7,251	–	10,678	8,523	–	5,576	4,165	107,994	7,577	115,571
Hotel revenue	58,719	–	20,241	–	13,823	8,117	–	41,085	141,985	–	141,985
Revenue – external	130,520	7,251	20,241	10,678	22,346	8,117	5,576	45,250	249,979	7,577	257,556
Reportable segment net property income	80,294	7,251	4,168	9,459	7,140	3,862	5,344	15,153	132,671	5,633	138,304
Depreciation of property, plant and equipment	(7,818)	–	(1,993)	–	(3,674)	(1,367)	–	(7,079)	(21,931)	–	(21,931)
Net fair value gain/ (loss) of investment properties and investment property under development	122,094	(25,441)	–	(1,479)	(5,199)	–	6,367	10,630	106,972	–	106,972
Reversal of revaluation deficit/(Revaluation deficit) on property, plant and equipment	780	–	1,383	–	(4,378)	–	–	3,158	943	–	943
Unallocated items:											
- H-REIT Manager's management fee											(12,639)
- H-REIT Trustee's fee											(409)
- HBT Trustee-Manager's management fee											(1,188)
- HBT Trustee-Manager's trustee fee											(305)
- Valuation fees											(261)
- Other expenses											(5,269)
- Finance income											849
- Finance costs											(63,310)
- Tax expense											(17,791)
Total return for the year											123,965
Other material non-cash items											
(Impairment loss)/Reversal of impairment loss on trade receivables	(168)	–	–	–	(118)	–	–	31	(255)	–	(255)
Reportable segment assets											
Capital expenditure:											
- Investment properties and property, plant and equipment	22,155	5,091	876	274	4,582	271	787	3,238	37,274	–	37,274
- Investment property under development	–	–	–	–	–	–	–	60,597	60,597	–	60,597
Non-current assets^	1,967,433	176,248	71,605	152,935	160,524	70,587	66,398	403,203	3,068,933	110,000	3,178,933

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore	New Zealand	Australia	Germany	Maldives	Japan	Italy	UK	Total reportable segments	Others	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group											
2022											
Rental revenue	60,228	10,483	–	9,025	7,825	–	3,385	3,502	94,448	5,738	100,186
Hotel revenue	53,052	–	17,532	–	14,906	4,558	–	39,122	129,170	–	129,170
Revenue – external	113,280	10,483	17,532	9,025	22,731	4,558	3,385	42,624	223,618	5,738	229,356
Reportable segment net property income	72,728	10,483	2,990	7,395	8,280	1,154	3,203	13,546	119,779	3,940	123,719
Depreciation of property, plant and equipment	(7,371)	–	(2,026)	–	(3,268)	(1,359)	–	(6,960)	(20,984)	–	(20,984)
Net fair value gain/ (loss) of investment properties and investment property under development	123,943	3,934	–	(3,385)	453	–	(1,655)	6,972	130,262	–	130,262
Reversal of revaluation deficit/(Revaluation deficit) on property, plant and equipment	9,652	–	796	–	6,060	409	–	(3,667)	13,250	–	13,250
Unallocated items:											
- H-REIT Manager's management fee											(11,702)
- H-REIT Trustee's fee											(375)
- HBT Trustee-Manager's management fee											(1,015)
- HBT Trustee-Manager's trustee fee											(272)
- Valuation fee											(191)
- Other expenses											(5,086)
- Finance income											40,644
- Finance costs											(45,080)
- Tax expense											(7,778)
Total return for the year											215,392
Other material non-cash items											
Impairment loss on trade and other receivables	(9)	–	–	–	–	–	–	(118)	(127)	–	(127)
Reportable segment assets											
Capital expenditure:											
- Investment properties and property, plant and equipment	594	274	443	867	4,515	10	150	4,650	11,503	–	11,503
- Investment property under development	–	–	–	–	–	–	–	29,474	29,474	–	29,474
Non-current assets^	1,824,055	199,304	69,584	149,337	169,840	66,994	57,415	311,053	2,847,582	100,000	2,947,582

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Major customers

The H-REIT Group's properties, except Claymore Connect, are leased to 14 (2022: 14) master lessees. Such master lessees include subsidiaries of Millennium & Copthorne Hotels Limited, a related corporation, which accounted for $79,052,000 (2022: $70,711,000) or 54.6% (2022: 54.6%) of the revenue of the H-REIT Group, and subsidiaries of a third party which accounted for approximately $15,122,000 (2022: $11,476,000) or 10.4% (2022: 8.9%) of the revenue of the H-REIT Group.

25 FINANCIAL INSTRUMENTS

Financial risk management

Overview

The Stapled Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the exposure of the HBT Group, the H-REIT Group and the Stapled Group to each of the above risks, their objectives, policies and procedures for measuring and managing risk, and their management of capital.

Risk management framework

Risk management is integral to the whole business of the Stapled Group. The Stapled Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The HBT Trustee-Manager and the H-REIT Manager continually monitor the Stapled Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Stapled Group's activities.

The Audit and Risk Committees of the H-REIT Manager and the HBT Trustee-Manager assist the H-REIT Manager's and the HBT Trustee-Manager's Boards in reviewing the effectiveness of the Stapled Group's material internal controls, including those relating to financial, operational and compliance.

In addition, the Audit and Risk Committees of the H-REIT Manager and the HBT Trustee-Manager assist the H-REIT Manager's and the HBT Trustee-Manager's Boards in discharging its duties with respect to maintaining an effective control environment that reflects both the established risk appetite and the business objectives of the Stapled Group. The Audit and Risk Committees oversee how management monitors compliance with the Stapled Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Stapled Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(i) Credit risk

Credit risk is the risk of financial loss resulting from the failure of a customer or counterparty to a financial instrument to settle its financial and contractual obligations to the Stapled Group, as and when they fall due.

The carrying value of financial assets in the statements of financial position represents maximum exposure of the Stapled Group of credit risk, before taking into account any collateral held. The Stapled Group limits its exposure to credit risk from trade receivables by collecting security deposits as collateral, where possible.

Trade and other receivables

Credit evaluations are performed before lease agreements are entered into with tenants. Rental deposits are received, where appropriate, to reduce credit risk. In addition, the balances due from lessees and tenants are being monitored on an on-going basis.

The hotel/resort operators which manage the hotels under the HBT Group perform credit evaluations on customers before accepting customers and monitor their balances on an on-going basis.

At 31 December 2023 and 31 December 2022, the trade receivables from related corporations and/or related entities arising from the master lease arrangements for certain hotel properties represent a significant portion of the H-REIT Group's and the Stapled Group's receivables (Note 8). Except as disclosed, there was no significant concentration of credit risk.

Exposure to credit risk

Expected credit loss assessment for individual lessees and customers

The Stapled Group uses an allowance matrix to measure the ECLs of trade receivables.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments (geographic region) based on actual credit loss experience over the past four years. These rates are adjusted by scalar factors to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Stapled Group's view of economic conditions over the expected lives of the receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(i) Credit risk (cont'd)

Trade and other receivables (cont'd)

Exposure to credit risk (cont'd)

Expected credit loss assessment for individual lessees and customers (cont'd)

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2023 and 31 December 2022:

	2023		2022	
	Gross carrying amount	Impairment loss allowance	Gross carrying amount	Impairment loss allowance
	$'000	$'000	$'000	$'000
HBT Group				
Not past due	2,861	–	4,669	–
Past due 31 – 60 days	273	–	1,062	–
Past due 61 – 90 days	138	–	125	–
Past due over 90 days	1,004	(106)	131	(131)
	4,276	(106)	5,987	(131)
Not credit-impaired	4,276	(106)	5,987	(131)
	4,276	(106)	5,987	(131)
H-REIT Group				
Not past due	30,225	–	27,952	–
Past due 31 – 60 days	32	–	1,949	–
Past due 61 – 90 days	164	–	2	–
Past due over 90 days	10,262	(9,887)	8,009	(7,953)
	40,683	(9,887)	37,912	(7,953)
Credit-impaired	9,793	(9,793)	22,509	(7,782)
Not credit-impaired	30,890	(94)	15,403	(171)
	40,683	(9,887)	37,912	(7,953)
Stapled Group				
Not past due	14,236	–	14,803	–
Past due 31 – 60 days	305	–	1,107	–
Past due 61 – 90 days	302	–	127	–
Past due over 90 days	1,471	(199)	358	(302)
	16,314	(199)	16,395	(302)
Not credit-impaired	16,314	(199)	16,395	(302)
	16,314	(199)	16,395	(302)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(i) Credit risk (cont'd)

Trade and other receivables (cont'd)

Exposure to credit risk (cont'd)

Movement in allowance for impairment in respect of trade and other receivables

The movement in the allowance for impairment losses in respect of trade and other receivables during the year is as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 January	131	4	7,953	8,005	302	175
Impairment loss recognised	93	127	2,333	–	255	127
Amounts utilised	(122)	–	(240)	–	(362)	–
Translation differences	4	–	(159)	(52)	4	–
At 31 December	106	131	9,887	7,953	199	302

The Stapled Group establishes allowances for impairment that represents its estimate of the expected credit loss and specific loss component in respect of trade and other receivables.

The allowance account in respect of trade and other receivables is used to record impairment losses unless the Stapled Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and cash equivalents

Cash and fixed deposits are placed with financial institutions which are regulated. Investments and transactions are allowed only with counterparties who have sound credit ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Stapled Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Derivatives

Derivatives are only entered into with banks and financial institution counterparties with sound credit ratings. Details of the derivatives held by the H-REIT Group and the Stapled Group are set out in Note 11.

(ii) Liquidity risk

Liquidity risk is the risk that the Stapled Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The HBT Trustee-Manager and the H-REIT Manager monitor their liquidity risk and maintain a level of cash and cash equivalents deemed adequate to finance the HBT Group's and the H-REIT Group's operations and to mitigate the effects of fluctuations in cash flows. The H-REIT Manager also monitors and observes the CIS Code issued by the MAS concerning limits on total borrowings. As at the reporting date, the H-REIT Group maintains several lines of credit (Note 10).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(ii) Liquidity risk (cont'd)

The Stapled Group has contractual commitments to incur capital expenditure (Note 26).

The following are the material contractual undiscounted cash inflows/(outflows) of financial liabilities, including estimated interest payments:

	Carrying amount	Contractual cash flows	Cash flows: Within 1 year	Cash flows: Between 1 to 5 years	Cash flows: More than 5 years
	$'000	$'000	$'000	$'000	$'000
HBT Group					
2023					
Non-derivative financial liabilities					
Unsecured bank loan	90,326	(111,159)	(6,961)	(104,198)	–
Loan from related entity	145,652	(145,652)	(145,652)	–	–
Lease liabilities	125,686	(203,591)	(13,186)	(54,089)	(136,316)
Trade and other payables^	63,572	(63,572)	(63,572)	–	–
	425,236	(523,974)	(229,371)	(158,287)	(136,316)
2022					
Non-derivative financial liabilities					
Unsecured bank loan	87,274	(106,679)	(4,794)	(101,885)	–
Loan from related entity	86,929	(86,929)	(86,929)	–	–
Lease liabilities	133,977	(217,784)	(12,899)	(55,487)	(149,398)
Trade and other payables^	59,150	(59,150)	(59,150)	–	–
	367,330	(470,542)	(163,772)	(157,372)	(149,398)
H-REIT Group					
2023					
Non-derivative financial liabilities					
Secured TMK bond	28,582	(29,380)	(320)	(29,060)	–
Secured bank loan	64,170	(65,601)	(1,104)	(64,497)	–
Unsecured bank loans	969,216	(1,071,393)	(386,528)	(684,865)	–
Lease liabilities	120,884	(475,181)	(5,325)	(21,916)	(447,940)
Trade and other payables^	56,241	(56,392)	(45,650)	(9,780)	(962)
	1,239,093	(1,697,947)	(438,927)	(810,118)	(448,902)
2022					
Non-derivative financial liabilities					
Secured TMK bond	30,947	(31,978)	(223)	(31,755)	–
Secured bank loan	62,931	(65,449)	(1,084)	(64,365)	–
Unsecured bank loans	899,624	(957,974)	(264,108)	(693,866)	–
Lease liabilities	114,857	(462,563)	(4,730)	(18,180)	(439,653)
Trade and other payables^	46,276	(46,700)	(35,600)	(1,938)	(9,162)
	1,154,635	(1,564,664)	(305,745)	(810,104)	(448,815)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(ii) Liquidity risk (cont'd)

	Carrying amount	Contractual cash flows	Cash flows		
			Within 1 year	Between 1 to 5 years	More than 5 years
	$'000	$'000	$'000	$'000	$'000
Stapled Group					
2023					
Non-derivative financial liabilities					
Secured TMK bond	28,582	(29,380)	(320)	(29,060)	–
Secured bank loan	64,170	(65,601)	(1,104)	(64,497)	–
Unsecured bank loans	1,059,542	(1,182,553)	(393,490)	(789,063)	–
Lease liabilities	137,702	(546,955)	(6,136)	(24,704)	(516,115)
Trade and other payables^	67,764	(67,916)	(57,174)	(9,780)	(962)
	1,357,760	(1,892,405)	(458,224)	(917,104)	(517,077)
2022					
Non-derivative financial liabilities					
Secured TMK bond	30,947	(31,978)	(223)	(31,755)	–
Secured bank loan	62,931	(65,449)	(1,084)	(64,365)	–
Unsecured bank loans	986,898	(1,064,653)	(268,902)	(795,751)	–
Lease liabilities	131,147	(532,685)	(5,473)	(20,924)	(506,288)
Trade and other payables^	60,299	(60,723)	(49,623)	(1,938)	(9,162)
	1,272,222	(1,755,488)	(325,305)	(914,733)	(515,450)

^ Excluding deferred income

The maturity analyses show the material contractual undiscounted cash flows of the Stapled Group's financial liabilities on the basis of their earliest possible contractual maturity. The cash inflows/(outflows) disclosed relate to these instruments held for risk management purposes and which are usually not closed out prior to contractual maturity.

The interest payments on floating rate loans and borrowings in the table above reflect market forward interest rates at the period end and these amounts may change as market interest rates changes.

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the HBT Group's profit or loss and the H-REIT Group's and the Stapled Group's total return. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

The H-REIT Manager's and the HBT Trustee-Manager's strategy to manage the risk of potential interest rate volatility is through the use of interest rate hedging instruments and/or fixed rate borrowings. The H-REIT Manager and the HBT Trustee-Manager will regularly evaluate the feasibility of putting in place the appropriate level of interest rate hedges, after taking into account the prevailing market conditions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Interest rate risk (cont'd)

Derivative financial instruments are used to manage exposures to interest rate risks arising from financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Managing interest rate benchmark reform and associated risks

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates ("**IBORs**") with alternative nearly risk-free rates (referred to as "**IBOR reform**"). The Stapled Group has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. The Stapled Group's main IBOR exposure is the US Dollar LIBOR ("**USD-LIBOR**"). The alternative reference rate is the Secured Overnight Financing Rate ("**SOFR**").

In 2022, the Stapled Group monitored and managed the transition from IBOR to new benchmark rate. In 2023, the Stapled Group has amended its financial instruments with contractual terms indexed to USD-LIBOR to incorporate the new benchmark rate (i.e. SOFR).

Exposure to interest rate risk

The Stapled Group's exposure to changes in interest rates relate primarily to interest-earning financial assets and interest-bearing financial liabilities. At the end of the financial year, the interest rate profile of the interest-bearing financial instruments based on their nominal amounts was as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Fixed rate instruments						
Financial assets	2,778	6,268	28,732	55,099	31,510	61,367
Financial liabilities	(203,590)	(217,784)	(668,631)	(780,027)	(740,405)	(850,148)
Effect of interest rate swaps	–	–	(268,082)	(144,676)	(268,082)	(144,676)
Effect of cross-currency interest rate swaps	–	–	(143,180)	(144,064)	(143,180)	(144,064)
	(200,812)	(211,516)	(1,051,161)	(1,013,668)	(1,120,157)	(1,077,521)
Variable rate instruments						
Financial liabilities	(236,405)	(174,760)	(872,246)	(680,016)	(862,998)	(767,847)
Effect of interest rate swaps	–	–	268,082	144,676	268,082	144,676
Effect of cross-currency interest rate swaps	–	–	143,180	144,064	143,180	144,064
	(236,405)	(174,760)	(460,984)	(391,276)	(451,736)	(479,107)

Fair value sensitivity analysis for fixed rate instruments

The Stapled Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the financial year would not affect total return.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Interest rate risk (cont'd)

A change of 100 basis points (bp) in interest rate at the end of the financial year would increase/(decrease) profit or loss (before any tax effects) of the HBT Group and total return (before any tax effects) of the H-REIT Group and the Stapled Group, by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Profit or loss	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	2023	2023	2022	2022
	$'000	$'000	$'000	$'000
HBT Group				
Variable rate instruments				
Loans and borrowings	(2,364)	2,364	(878)	878

	Total return		Total return	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	2023	2023	2022	2022
	$'000	$'000	$'000	$'000
H-REIT Group				
Variable rate instruments				
Loans and borrowings	(8,722)	8,722	(6,800)	6,800
Interest rate swaps	2,681	(2,681)	1,447	(1,447)
Cross-currency interest rate swaps	1,432	(1,432)	1,441	(1,441)
Cash flow sensitivity (net)	(4,609)	4,609	(3,912)	3,912
Stapled Group				
Variable rate instruments				
Loans and borrowings	(9,630)	9,630	(7,678)	7,678
Interest rate swaps	2,681	(2,681)	1,447	(1,447)
Cross-currency interest rate swaps	1,432	(1,432)	1,441	(1,441)
Cash flow sensitivity (net)	(5,517)	5,517	(4,790)	4,790

Foreign currency risk

The Stapled Group has exposure to foreign currency risk as a result of its operations in several countries. The currencies giving rise to this risk are Australian Dollar, New Zealand Dollar, Euro, United States Dollar, Japanese Yen and Sterling Pound.

In order to manage the foreign currency risk, the H-REIT Manager and the HBT Trustee-Manager adopts foreign currency risk management strategies that may include:

- entering into forward exchange contracts to hedge the foreign currency income from the overseas assets as a natural hedge;
- the use of certain foreign currency denominated borrowings to match the capital values of the overseas assets as a natural hedge, whenever possible; and
- the use of certain foreign currency denominated borrowings to hedge against the currency risk arising from the Stapled Group's net investments in certain subsidiaries in Australia, Germany, Japan, Maldives and United Kingdom. These borrowings are designated as net investment hedges.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Foreign currency risk (cont'd)

Hedge accounting – Net investment hedges

At the end of the financial year, the HBT Group, the H-REIT Group and the Stapled Group have designated certain of their bank loans, with carrying amounts of $50.4 million (2022: $48.8 million), $140.7 million (2022: $158.1 million) and $282.7 million (2022: $291.5 million) respectively as net investment hedges, which mitigate the currency risk arising from certain subsidiaries' net assets. The cumulative net foreign exchange differences in respect of the Australia, Germany, Japan, Maldives and United Kingdom net investment hedges which remained in the unitholders' funds are as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Net foreign exchange gain	5,113	6,736	7,272	4,895	17,209	19,249

To assess hedge effectiveness, the HBT Group, the H-REIT Group and the Stapled Group determine the economic relationship between the hedge instrument and the hedge item by comparing changes in the carrying amount of debt that is attributable to a change in the spot rate with changes in the investment in the foreign operation due to movement in the spot rate (the offset method). The HBT Group, the H-REIT Group and the Stapled Group's policy is to hedge the net investment only to the extent of debt principal.

During the financial year, the HBT Group, the H-REIT Group and the Stapled Group have recognised net foreign exchange differences in OCI or unitholders' funds (as the case may be) in respect of bank loans which were used as hedges for net investments in Japan, Maldives and United Kingdom:

	HBT Group		H-REIT Group		Stapled Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Net foreign exchange (loss)/gain	(1,623)	7,835	2,378	10,427	(2,039)	29,670

The exposure of the HBT Group, the H-REIT Group and the Stapled Group to foreign currencies is as follows based on notional amounts:

	United States Dollar		Japanese Yen		Sterling Pound	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
HBT Group						
Trade and other receivables	8	8	24	26	4,872	4,559
Cash and cash equivalents	–	–	–	–	465	4,211
Trade and other payables	–	–	–	–	(5,843)	(355)
Bank loans	–	–	–	–	(90,752)	(87,831)
Loan from related entity	(19,925)	(19,057)	–	–	(123,430)	(64,362)
Net exposure	(19,917)	(19,049)	24	26	(214,688)	(143,778)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Foreign currency risk (cont'd)

	Australian Dollar		New Zealand Dollar		Euro		United States Dollar		Japanese Yen		Sterling Pound	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group												
Trade and other receivables	8,040	7,783	6,516	4,001	13,479	587	76,460	71,416	–	–	124,669	65,593
Cash and cash equivalents	2,965	5,120	1,459	8,327	18	79	72	181	2,689	14	2,614	2,804
Trade and other payables	(642)	(650)	(287)	(292)	(112)	(90)	(1,410)	(1,500)	(30)	–	(940)	(60)
Bank loans	–	–	–	–	(3,006)	(2,950)	(196,493)	(198,086)	(30,411)	(33,092)	(232,746)	(173,141)
Net statements of financial position exposure	10,363	12,253	7,688	12,036	10,379	(2,374)	(121,371)	(127,989)	(27,752)	(33,078)	(106,403)	(104,804)
Foreign currency forward contract	(1,084)	(1,951)	(1,306)	(651)	–	–	–	(854)	–	–	(334)	(2,600)
Cross-currency interest rate swaps	–	–	–	–	(52,940)	(53,824)	52,940	53,824	–	–	–	–
Net exposure	9,279	10,302	6,382	11,385	(42,561)	(56,198)	(68,431)	(75,019)	(27,752)	(33,078)	(106,737)	(107,404)
Stapled Group												
Trade and other receivables	8,040	7,783	6,516	4,001	13,479	587	56,543	52,367	24	26	6,111	5,790
Cash and cash equivalents	2,965	5,120	1,459	8,327	18	79	72	181	2,689	14	3,079	7,015
Trade and other payables	(642)	(650)	(287)	(292)	(112)	(90)	(1,410)	(1,500)	(30)	–	(6,783)	(415)
Bank loans	–	–	–	–	(3,006)	(2,950)	(196,493)	(198,086)	(30,411)	(33,092)	(323,498)	(260,972)
Net statements of financial position exposure	10,363	12,253	7,688	12,036	10,379	(2,374)	(141,288)	(147,038)	(27,728)	(33,052)	(321,091)	(248,582)
Foreign currency forward contract	(1,084)	(1,951)	(1,306)	(651)	–	–	–	(854)	–	–	(334)	(2,600)
Cross-currency interest rate swaps	–	–	–	–	(52,940)	(53,824)	52,940	53,824	–	–	–	–
Net exposure	9,279	10,302	6,382	11,385	(42,561)	(56,198)	(88,348)	(94,068)	(27,728)	(33,052)	(321,425)	(251,182)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Foreign currency risk (cont'd)

Sensitivity analysis

A 10% strengthening of the Singapore dollar against the following currencies at the end of the financial year would increase/(decrease) profit or loss and other comprehensive income (before any tax effects) of the HBT Group and total return and unitholders' funds (before any tax effects) of the H-REIT Group and the Stapled Group, by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	HBT Group		H-REIT Group		Stapled Group	
	Profit or loss	Other comprehensive income	Total return	Unitholders' funds	Total return	Unitholders' funds
	$'000	$'000	$'000	$'000	$'000	$'000
2023						
Australian Dollar	–	–	(928)	–	(928)	–
New Zealand Dollar	–	–	(638)	–	(638)	–
Euro	–	–	4,256	–	4,256	–
United States Dollar	1,992	–	(1,760)	8,603	232	8,603
Japanese Yen	(2)	–	(266)	3,041	(268)	3,041
Sterling Pound	16,427	5,042	10,674	3,879	14,063	18,080
2022						
Australian Dollar	–	–	(1,030)	–	(1,030)	–
New Zealand Dollar	–	–	(1,138)	–	(1,138)	–
Euro	–	–	5,620	–	5,620	–
United States Dollar	1,905	–	(1,244)	8,746	661	8,746
Japanese Yen	(3)	–	(1)	3,309	(4)	3,309
Sterling Pound	9,498	4,880	10,740	–	16,484	8,634

A 10% weakening of the Singapore dollar against the above currencies at the end of the financial year would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) 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			
	Note	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
HBT Group								
2023								
Financial assets not measured at fair value								
Trade and other receivables [1]	8	22,287	–	22,287				
Cash and cash equivalents	9	14,798	–	14,798				
		37,085	–	37,085				
Financial liabilities not measured at fair value								
Unsecured bank loan	10	–	(90,326)	(90,326)	–	(90,326)	–	(90,326)
Loan from related entity	10	–	(145,652)	(145,652)				
Trade and other payables [2]	12	–	(63,567)	(63,567)				
Rental deposits		–	(5)	(5)	–	–	(5)	(5)
		–	(299,550)	(299,550)				
HBT Group								
2022								
Financial assets not measured at fair value								
Trade and other receivables [1]	8	20,882	–	20,882				
Cash and cash equivalents	9	25,549	–	25,549				
		46,431	–	46,431				
Financial liabilities not measured at fair value								
Unsecured bank loan	10	–	(87,274)	(87,274)	–	(87,274)	–	(87,274)
Loan from related entity	10	–	(86,929)	(86,929)				
Trade and other payables [2]	12	–	(59,150)	(59,150)				
		–	(233,353)	(233,353)				

(1) Excluding prepayments
(2) Excluding deferred income

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

	Note	Carrying amount				Fair value			
		Amortised cost	Fair value – hedging instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group									
2023									
Financial assets not measured at fair value									
Finance lease receivables	7	5,145	–	–	5,145				
Trade and other receivables [1]	8	186,407	–	–	186,407				
Cash and cash equivalents	9	57,202	–	–	57,202				
		248,754	–	–	248,754				
Financial assets measured at fair value									
Financial derivative assets	11	–	14,510	–	14,510	–	14,510	–	14,510
Financial liabilities measured at fair value									
Financial derivative liabilities	11	–	(1,506)	–	(1,506)	–	(1,506)	–	(1,506)
Financial liabilities not measured at fair value									
Secured TMK bond	10	–	–	(28,582)	(28,582)	–	(28,335)	–	(28,335)
Secured bank loan	10	–	–	(64,170)	(64,170)	–	(62,457)	–	(62,457)
Unsecured bank loans	10	–	–	(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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

	Note	Carrying amount				Fair value			
		Amortised cost	Fair value – hedging instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group									
2022									
Financial assets not measured at fair value									
Finance lease receivables	7	1,803	–	–	1,803				
Trade and other receivables [1]	8	123,249	–	–	123,249				
Cash and cash equivalents	9	71,379	–	–	71,379				
		196,431	–	–	196,431				
Financial assets measured at fair value									
Financial derivative assets	11	–	26,419	–	26,419	–	26,419	–	26,419
Financial liabilities measured at fair value									
Financial derivative liabilities	11	–	(163)	–	(163)	–	(163)	–	(163)
Financial liabilities not measured at fair value									
Secured TMK bond	10	–	–	(30,947)	(30,947)	–	(30,388)	–	(30,388)
Secured bank loan	10	–	–	(62,931)	(62,931)	–	(58,922)	–	(58,922)
Unsecured bank loans	10	–	–	(899,624)	(899,624)	–	(889,719)	–	(889,719)
Trade and other payables [2]		–	–	(35,009)	(35,009)				
Rental deposits		–	–	(11,267)	(11,267)	–	–	(10,890)	(10,890)
		–	–	(1,039,778)	(1,039,778)				

(1) Excluding prepayments
(2) Excluding deferred income

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

	Note	Carrying amount				Fair value			
		Amortised cost	Fair value – hedging instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group									
2023									
Financial assets not measured at fair value									
Finance lease receivables	7	5,145	–	–	5,145				
Trade and other receivables [1]	8	20,785	–	–	20,785				
Cash and cash equivalents	9	72,000	–	–	72,000				
		97,930	–	–	97,930				
Financial assets measured at fair value									
Financial derivative assets	11	–	14,510	–	14,510	–	14,510	–	14,510
Financial liabilities measured at fair value									
Financial derivative liabilities	11	–	(1,506)	–	(1,506)	–	(1,506)	–	(1,506)
Financial liabilities not measured at fair value									
Secured TMK bond	10	–	–	(28,582)	(28,582)	–	(28,335)	–	(28,335)
Secured bank loan	10	–	–	(64,170)	(64,170)	–	(62,457)	–	(62,457)
Unsecured bank loans	10	–	–	(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)				

(1) Excluding prepayments
(2) Excluding deferred income

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

	Note	Carrying amount				Fair value			
		Amortised cost	Fair value – hedging instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group									
2022									
Financial assets not measured at fair value									
Finance lease receivables	7	1,803	–	–	1,803				
Trade and other receivables [1]	8	19,856	–	–	19,856				
Cash and cash equivalents	9	96,928	–	–	96,928				
		118,587	–	–	118,587				
Financial assets measured at fair value									
Financial derivative assets	11	–	26,419	–	26,419	–	26,419	–	26,419
Financial liabilities measured at fair value									
Financial derivative liabilities	11	–	(163)	–	(163)	–	(163)	–	(163)
Financial liabilities not measured at fair value									
Secured TMK bond	10	–	–	(30,947)	(30,947)	–	(30,388)	–	(30,388)
Secured bank loan	10	–	–	(62,931)	(62,931)	–	(58,922)	–	(58,922)
Unsecured bank loans	10	–	–	(986,898)	(986,898)	–	(976,993)	–	(976,993)
Trade and other payables [2]		–	–	(49,032)	(49,032)				
Rental deposits		–	–	(11,267)	(11,267)	–	–	(10,890)	(10,890)
		–	–	(1,141,075)	(1,141,075)				

(1) Excluding prepayments
(2) Excluding deferred income

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

Measurement of fair values

The following show the valuation techniques used in measuring Level 2 and Level 3 fair values.

Financial instruments measured at fair value

Financial derivatives

The fair values of forward foreign exchange contracts, cross-currency interest rate swaps and interest rate swap are based on banks' quotes (Level 2 fair values). Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

Financial instruments not measured at fair value

Other non-derivative financial assets and liabilities

The fair values of TMK bond, bank loans and rental deposits are calculated using the discounted cash flow technique based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

26 COMMITMENTS

		HBT Group		H-REIT Group		Stapled Group	
		2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
(a)	Capital expenditure contracted but not provided for	13,432	70,098	9,842	10,701	23,274	80,799

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 BTR. The development is expected to be completed in 2024 with a development sum of $110.2 million (£65.6 million) as at 31 December 2023 (2022: $118.4 million (£63.8 million)).

(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% (2022: 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 the end of the financial year, the H-REIT Group and the Stapled Group are committed to incur capital expenditure of $7,177,000 (2022: $6,313,000) 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 statements of total return (as the case may be). No variable lease payments being recorded for the years ended 31 December 2022 and 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26 COMMITMENTS (CONT'D)

(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 statements of total return (as the case may be). For the year ended 31 December 2023, the Stapled Group recorded variable lease payments of $1,523,000 (2022: $1,183,000).

(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.

27 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 the H-REIT Trustee's fee have been paid or are payable to the H-REIT Manager and the H-REIT Trustee respectively.

As at the reporting date, the H-REIT Manager and the master lessees of Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel, Studio M Hotel and Grand Millennium Auckland are indirect wholly-owned subsidiaries of a substantial holder of the Stapled Securities in the Stapled Group.

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

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Related corporations of the H-REIT Manager and the HBT Trustee-Manager						
Acquisition fee paid/payable	–	–	–	414	–	414
Rental income received/ receivable	–	–	79,214	70,983	79,214	70,983
Rental expense paid/payable	81	96	864	742	945	838
Shared service expenses paid/ payable	163	135	560	261	723	396
Corporate secretarial services fee paid/payable	57	62	103	109	160	171
Asset management fees	113	–	–	–	113	–
Advisory fee paid/payable	62	65	–	–	62	65

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28 FINANCIAL RATIOS

	H-REIT Group		Stapled Group	
	2023	2022	2023	2022
	%	%	%	%
Expenses to weighted average net assets [1]				
- including performance component of H-REIT Manager's management fees [2]	0.94	1.02	1.13	1.13
- excluding performance component of H-REIT Manager's management fees [2]	0.62	0.70	0.79	0.80
Portfolio turnover rate [3]	–	2.58	–	2.51

(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.

(3) The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the H-REIT Group and the Stapled Group expressed as a percentage of daily average net asset value.

29 ACQUISITION

H-REIT Group

Acquisition of property

For the financial year ended 31 December 2022

On 22 February 2022, the H-REIT Group entered into a share purchase agreement to acquire 100% of the shares and voting interest in Roundapple Hotel Partners III Limited (renamed to CDL HREIT Investments (II) Property Limited) which owns Hotel Brooklyn in Manchester, United Kingdom, for a total consideration of $41.0 million (£22.4 million). The acquisition was accounted for as an acquisition of assets.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	$'000
Investment property	78,764
Other receivables	286
Other payables	(1,039)
Lease liabilities	(37,005)
Total identifiable net assets	41,006

Consideration transferred

	$'000
Cash paid	41,006

Effect of the acquisition on cash flows

Total consideration for 100% equity interest acquired	41,006
Add: Acquisition-related costs	2,341
Less: Acquisition-related costs not yet paid	(225)
Net cash outflow on acquisition	43,122

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES

(i) Leases as lessee

The HBT Group, the H-REIT Group and the Stapled Group mainly lease land and buildings. The leases typically run for periods ranging from 2 to 197 years (2022: 2 to 197 years), some with options to renew after the lease expiry dates. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the HBT Group, the H-REIT Group and the Stapled Group are restricted from entering into any sub-lease arrangements.

Some of the leases of land and building were entered into many years ago.

One of the leased properties has been sub-let by the H-REIT Group and the Stapled Group. The sub-lease is classified as a finance lease.

Information about leases for which the HBT Group, the H-REIT Group and the Stapled Group are lessees is presented below.

Right-of-use assets

ROU assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment.

	Leasehold land	Building	Office equipment	Motor vehicles	Total
	$'000	$'000	$'000	$'000	$'000
HBT Group					
2023					
At 1 January	39,791	82,057	28	–	121,876
Addition of ROU assets	–	–	–	126	126
Adjustment to ROU assets	–	3	–	–	3
Depreciation charge	(2,926)	(6,567)	(9)	(42)	(9,544)
Translation differences	(189)	(151)	–	–	(340)
At 31 December	36,676	75,342	19	84	112,121
2022					
At 1 January	43,971	93,863	37	41	137,912
Addition of ROU assets	–	225	–	–	225
Adjustment to ROU assets	–	(1,407)	–	–	(1,407)
Depreciation charge	(2,997)	(6,897)	(9)	(41)	(9,944)
Translation differences	(1,183)	(3,727)	–	–	(4,910)
At 31 December	39,791	82,057	28	–	121,876

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(i) Leases as lessee (cont'd)

Right-of-use assets (cont'd)

	Building $'000
H-REIT Group	
2023	
At 1 January	6
Depreciation charge	(6)
At 31 December	–
2022	
At 1 January	21
Depreciation charge	(15)
At 31 December	6

	Leasehold land $'000	Building $'000	Office equipment $'000	Motor vehicles $'000	Total $'000
Stapled Group					
2023					
At 1 January	80,280	7,170	28	–	87,478
Addition of ROU assets	–	–	–	126	126
Adjustment to ROU assets	–	3	–	–	3
Depreciation charge	(1,042)	(140)	(9)	(42)	(1,233)
Revaluation surplus recognised in unitholders' funds	2,051	–	–	–	2,051
Reversal of revaluation deficit recognised in statement of total return	2,572	–	–	–	2,572
Translation differences	(69)	232	–	–	163
At 31 December	83,792	7,265	19	84	91,160
2022					
At 1 January	76,891	7,945	37	41	84,914
Addition of ROU assets	6,876	225	–	–	7,101
Adjustment to ROU assets	2,400	–	–	–	2,400
Depreciation charge	(1,297)	(166)	(9)	(41)	(1,513)
Revaluation deficit recognised in unitholders' funds	(735)	–	–	–	(735)
Revaluation deficit recognised in statement of total return	(2,635)	–	–	–	(2,635)
Translation differences	(1,220)	(834)	–	–	(2,054)
At 31 December	80,280	7,170	28	–	87,478

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(i) Leases as lessee (cont'd)

Amounts recognised in profit or loss or the statements of total return (as the case may be)

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Interest on lease liabilities	4,589	4,965	4,255	3,812	4,926	4,495
Expenses relating to short term leases	–	–	466	546	466	546

Amounts recognised in statements of cash flows

	HBT Group		H-REIT Group		Stapled Group	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Payment of lease liabilities	(7,978)	(4,963)	(718)	(948)	(853)	(1,100)
Finance costs paid	(4,589)	(4,965)	(4,255)	(3,812)	(4,926)	(4,495)
Total cash outflow for leases	(12,567)	(9,928)	(4,973)	(4,760)	(5,779)	(5,595)

Extension options

Some property leases contain extension options exercisable by the HBT Group and the H-REIT Group before the end of the non-cancellable contract period. Where practicable, the HBT Group and the H-REIT Group seek to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the HBT Group and the H-REIT Group and not by the lessors. The HBT Group and the H-REIT Group assess at lease commencement date whether it is reasonably certain to exercise the extension options. The HBT Group and the H-REIT Group reassess whether it is reasonably certain to exercise the options if there is a significant event of significant changes in circumstances within their control.

The H-REIT Group have estimated the potential future lease payments that are not reflected in the measurement of lease liabilities, should they exercise the extension options, would result in an increase in future cash outflows of $64.4 million (2022: $28.8 million).

Variable lease payments

HBT's subsidiary, AKO GK, leases the Japan hotel properties from CDLHT Hanei Tokutei Mokuteki Kaisha, subsidiary of H-REIT for 1-year periods, renewable on an annual basis. Monthly lease payments under these leases are variable, equal to the gross operating profit of the hotel properties in the preceding month, subject to certain adjustments. Lease liabilities are not recognised in respect of these leases as the variable monthly lease payments are not subject to a minimum value.

(ii) Leases as lessor

The H-REIT Group and the Stapled Group lease out their investment properties consisting of hotels, resorts, a retail property and a leased property. All leases are classified as operating leases from a lessor perspective with the exception of a sub-lease which has been classified as a finance sub-lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(ii) Leases as lessor (cont'd)

Finance lease

The H-REIT Group and the Stapled Group have sub-leased a building in which the ROU asset arising from the head lease has been presented as part of investment property. The sub-lease was assessed to be a finance lease under FRS 116 / SFRS(I) 16. Consequently, the H-REIT Group and the Stapled Group derecognised the ROU asset relating to the head lease and recognised finance lease receivables. During the term of the sub-lease, the H-REIT Group and the Stapled Group recognise both interest income on the sub-lease and interest expense on the head lease.

During the financial year, the H-REIT Group and the Stapled Group recognised interest income on the finance lease receivables of $151,000 (2022: $62,000).

The following table sets out a maturity analysis of finance lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	2023 $'000	2022 $'000
H-REIT Group and Stapled Group		
Within 1 year	1,056	524
1 to 2 years	1,120	524
2 to 3 years	1,184	524
3 to 4 years	1,248	331
4 to 5 years	1,287	–
Total undiscounted finance lease receivables	5,895	1,903
Unearned finance income	(750)	(100)
Net investment in the lease	5,145	1,803

Operating lease

The H-REIT Group and the Stapled Group lease out their investment properties. The H-REIT Group and the Stapled Group have classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The portfolio statements set out information about the operating leases of investment properties.

Rental revenue from investment property recognised by the H-REIT Group and the Stapled Group is disclosed in Note 17.

In addition, the H-REIT Group also leases out its Japan properties which are classified as property, plant and equipment to the HBT Group for 1-year periods, renewable on an annual basis. Monthly lease payments receivable under these leases are variable, equal to the gross operating profit of the hotel properties in the preceding month, subject to certain adjustments. The variable monthly lease payments are not subject to a minimum value.

The rental revenue from property, plant and equipment recognised by the H-REIT Group in respect of these leases during the year was $3,874,000 (2022: $1,387,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(ii) Leases as lessor (cont'd)

Operating lease (cont'd)

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Operating leases under FRS 116 / SFRS(I) 16

	HBT Group		H-REIT Group		Stapled Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Within 1 year	70	97	68,311	63,229	56,006	54,468
1 to 2 years	–	76	69,788	65,767	56,962	56,348
2 to 3 years	–	–	54,634	67,789	41,808	57,840
3 to 4 years	–	–	38,705	53,733	25,879	43,784
4 to 5 years	–	–	38,300	38,185	25,474	28,236
More than 5 years	–	–	264,113	281,431	192,025	241,203
	70	173	533,851	570,134	398,154	481,879

The above operating lease receivables are based on the fixed component of the rent receivable under the lease agreements, adjusted for increases in rent where such increases have been provided for under the lease agreements.

31 GROUP ENTITIES

The HBT Group and the H-REIT Group have equity investments in subsidiaries.

Details of the significant subsidiaries are as follows:

Name of subsidiaries	Place of incorporation	Effective equity interest held by the H-REIT Group and the Stapled Group	
		2023 %	2022 %
Subsidiaries of H-REIT			
[1] CDLHT (BVI) One Ltd	British Virgin Islands	100	100
[1] CDLHT (BVI) Trust One	–	100	100
[3] Sunshine Hotels Australia Pty Ltd	Australia	100	100
[1] CDLHT Sunshine Limited	British Virgin Islands	100	100
[1] CDLHT Sunrise Limited	British Virgin Islands	100	100
[1] CDLHT Sanctuary Limited	British Virgin Islands	100	100
[2] CDLHT MTN Pte. Ltd.	Singapore	100	100
[2] CDLHT Oceanic Holdings Pte. Ltd.	Singapore	100	100
[2] CDLHT Hanei One Pte. Ltd.	Singapore	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 GROUP ENTITIES (CONT'D)

Name of subsidiaries	Place of incorporation	Effective equity interest held by the H-REIT Group and the Stapled Group	
		2023	2022
		%	%
Subsidiaries of H-REIT (cont'd)			
[2] CDLHT Hanei Two Pte. Ltd.	Singapore	100	100
[2] CDLHT Two Pte. Ltd.	Singapore	100	100
[2] CDLHT Munich One Pte. Ltd.	Singapore	100	100
[2] CDLHT Munich Two Pte. Ltd.	Singapore	100	100
[2] CDLHT CFM One Pte. Ltd.	Singapore	100	100
[2] CDLHT CFM Two Pte. Ltd.	Singapore	100	100
[3] CDL HREIT Investments (II) Limited	England and Wales	100	100
Subsidiaries of CDLHT Sunshine Limited			
[1] Sun Two Investments Limited	British Virgin Islands	100	100
[1] Sun Three Investments Limited	British Virgin Islands	100	100
[1] Sun Four Investments Limited	British Virgin Islands	100	100
Subsidiary of Sun Two Investments Limited			
[1] Sun Trust Two	–	–	100
Subsidiary of Sun Three Investments Limited			
[1] Sun Trust Three	–	100	100
Subsidiary of Sun Four Investments Limited			
[1] Sun Trust Four	–	100	100
Subsidiary of CDLHT Sanctuary Limited			
[3] Sanctuary Sands Maldives Private Limited	Maldives	100	100
Subsidiary of CDLHT Oceanic Holdings Pte. Ltd.			
[1] CDLHT Oceanic Ltd	British Virgin Islands	100	100
Subsidiary of CDLHT Oceanic Ltd			
[1] CDLHT Oceanic Two Ltd	British Virgin Islands	100	100
Subsidiary of CDLHT Oceanic Two Ltd			
[3] CDLHT Oceanic Maldives Private Limited	Maldives	100	100
Subsidiary of CDLHT Hanei Two Pte. Ltd.			
[3] CDLHT Hanei Tokutei Mokuteki Kaisha	Japan	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 GROUP ENTITIES (CONT'D)

Name of subsidiaries	Place of incorporation	Effective equity interest held by the H-REIT Group and the Stapled Group	
		2023	2022
		%	%
Subsidiaries of CDLHT Munich One Pte. Ltd.			
[1] NKS Hospitality I B.V.	Netherlands	94.9	94.9
[1] Munich Furniture B.V.	Netherlands	94.9	94.9
Subsidiary of CDLHT CFM One Pte. Ltd.			
[1] CDLHT CFM III B.V.	Netherlands	95.0	95.0
Subsidiary of CDLHT CFM III B.V.			
[1] CDLHT CFM III SRL	Italy	95.0	95.0
Subsidiary of CDLHT CFM III SRL			
[1] NKS Hospitality III SRL	Italy	95.0	95.0
Subsidiary of CDL HREIT Investments (II) Limited			
[3] CDL HREIT Investments (II) Property Limited	England and Wales	100	100

Name of subsidiaries	Place of incorporation	Effective equity interest held by the HBT Group and the Stapled Group	
		2023	2022
		%	%
Subsidiaries of HBT			
[2] CDL HBT Oceanic Holdings Pte. Ltd.	Singapore	100	100
[2] CDL HBT Hanei Pte. Ltd.	Singapore	100	100
[2] CDL HBT Cambridge City Pte. Ltd.	Singapore	100	100
[2] Gemini Two Pte. Ltd.	Singapore	100	100
[2] CDL HBT Sun Pte. Ltd.	Singapore	100	100
[2] CDL HBT Investments (I) Pte. Ltd.	Singapore	100	100
Subsidiary of CDL HBT Oceanic Holdings Pte. Ltd.			
[1] CDL HBT Oceanic Ltd	British Virgin Islands	100	100
Subsidiary of CDL HBT Oceanic Ltd			
[1] CDL HBT Oceanic Two Ltd	British Virgin Islands	100	100
Subsidiary of CDL HBT Oceanic Two Ltd			
[3] CDL HBT Oceanic Maldives Private Limited	Maldives	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 GROUP ENTITIES (CONT'D)

Name of subsidiaries	Place of incorporation	Effective equity interest held by the HBT Group and the Stapled Group	
		2023	2022
		%	%
Subsidiary of CDL HBT Hanei Pte. Ltd.			
[3] AKO GK	Japan	100	100
Subsidiaries of CDL HBT Cambridge City Pte. Ltd.			
[3] CDL HBT Cambridge City (UK) Ltd	England and Wales	100	100
[4] CDL HBT North Ltd	England and Wales	100	100
Subsidiary of CDL HBT Cambridge City (UK) Ltd			
[3] CDL HBT Cambridge City Hotel (UK) Ltd	England and Wales	100	100
Subsidiary of CDL HBT North Ltd			
[4] The Lowry Hotel Ltd	England and Wales	100	100
Subsidiaries of CDL HBT Sun Pte. Ltd.			
[3] CDL HBT Sun Three Pty Ltd	Australia	100	100
[3] CDL HBT Sun Four Pty Ltd	Australia	100	100
Subsidiary of CDL HBT Investments (I) Pte. Ltd.			
[4] CDL HBT Investments (I) Limited	England and Wales	100	100
Subsidiaries of CDL HBT Investments (I) Limited			
[4] CDL HBT Investments (I) Property Limited	England and Wales	100	100
[4] CDL HBT Investments (I) Operations Limited	England and Wales	100	100

(1) Not required to be audited under the laws of the country of incorporation/constitution.
(2) Audited by KPMG LLP, Singapore.
(3) Audited by other member firms of KPMG International.
(4) Audited by BDO LLP, United Kingdom.

32 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 3.19 cents per Stapled Security to Stapled Security Holders in respect of the period from 1 July 2023 to 31 December 2023.

(ii) 1,315,941 Stapled Securities, amounting to $1,445,000, were issued as satisfaction of the H-REIT Manager's base fee for the period from 1 October 2023 to 31 December 2023.

(iii) 152,260 Stapled Securities, amounting to $167,000, were issued as satisfaction of the HBT Trustee-Manager's base fee for the period from 1 October 2023 to 31 December 2023.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF CDL HOSPITALITY TRUSTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The information in this Appendix III has been extracted and reproduced from the audited consolidated financial statements of the H-REIT Group, the HBT Group and the Stapled Group for the financial year ended 31 December 2024 and has not been specifically prepared for inclusion in this Information Memorandum.

FINANCIAL STATEMENTS

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REPORT OF THE TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST

The directors of M&C Business Trust Management Limited, the trustee-manager of CDL Hospitality Business Trust ("**HBT**") (the "**Trustee-Manager**") and its subsidiaries (collectively, the "**HBT Group**"), are pleased to present this report to the unitholders together with the audited financial statements for the financial year ended 31 December 2024.

DIRECTORS

The directors of the Trustee-Manager in office at the date of this report are as follows:

Chan Soon Hee, Eric	(Chairman)
Vincent Yeo Wee Eng	(Chief Executive Officer)
Foo Say Mui (Bill)	
Kenny Kim	
Cheah Sui Ling	
Kwek Eik Sheng	
Eng Chin Chin	(Appointed on 21 February 2025)

DIRECTORS' INTEREST IN UNITS OR DEBENTURES

According to the register kept by the Trustee-Manager for the purposes of Sections 13 and 76 of the Business Trusts Act 2004 of Singapore (the "**BTA**"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children below 18 years of age) in units of HBT are as follows:

	Holdings at beginning of the year	Holdings at end of the year
Vincent Yeo Wee Eng	138,000	138,000
Kwek Eik Sheng	695,638	695,638

Except as disclosed in this report, no director who held office at the end of the financial year had interests in units of HBT either at the beginning or at the end of the financial year.

There were no changes in the abovementioned interests of HBT between the end of the financial year and 21 January 2025.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE UNITS AND DEBENTURES

Neither at the end of, nor at any time during the financial year, was the Trustee-Manager a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in or debentures of HBT.

DIRECTORS' CONTRACTUAL BENEFITS

During the financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Trustee-Manager, on behalf of HBT or a related corporation with the director, or with a firm of which such director is a member or with a company in which such director has a substantial financial interest.

REPORT OF THE TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST

OPTIONS

During the financial year, there were:

(i) no options granted by the Trustee-Manager to any person to take up unissued units in HBT; and

(ii) no units issued by virtue of any exercise of option to take up unissued units of HBT.

As at the end of the financial year, there were no unissued units of HBT under options.

AUDIT AND RISK COMMITTEE

The members of the Audit and Risk Committee at the date of this statement are:

- Foo Say Mui (Bill) (Chairman), Independent, non-executive director
- Kenny Kim, Independent, non-executive director
- Cheah Sui Ling, Independent, non-executive director
- Eng Chin Chin, Independent, non-executive director (Appointed on 21 February 2025)

The Audit and Risk Committee performs the functions specified in Section 201B of the Companies Act 1967, Regulation 13(6) of the Business Trusts Regulations 2005, the Listing Manual of Singapore Exchange Securities Trading Limited (the "**SGX Listing Manual**") and the Code of Corporate Governance.

The Audit and Risk Committee has held four meetings since the last report of the Trustee-Manager. In performing its functions, the Audit and Risk Committee met with HBT's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the HBT's internal accounting control system.

The Audit and Risk Committee also reviewed the following:

- assistance provided by HBT's officers to the internal and external auditors;
- quarterly financial information and annual financial statements of HBT prior to their submission to the directors of the Trustee-Manager for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit and Risk Committee has full access to the Trustee-Manager and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit and Risk Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit and Risk Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors of the Trustee-Manager that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of HBT.

In appointing our auditors for the HBT Group, we have complied with Rules 712 and 715 of the SGX Listing Manual.

AUDITORS

The auditors, KPMG LLP, have expressed their willingness to accept re-appointment.

REPORT OF THE TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST

STATEMENT BY THE TRUSTEE-MANAGER

In our opinion:

(a) the consolidated financial statements of the HBT Group set out on pages 190 to 299 are drawn up so as to give a true and fair view of the state of affairs of the HBT Group as at 31 December 2024 and the financial performance, movements in unitholders' funds and cash flows of the HBT Group for the year ended on that date in accordance with the provisions of the BTA and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, having considered the cash liquidity of the HBT Group and the financial support given by H-REIT to HBT, there are reasonable grounds to believe that the HBT Group will be able to pay its debts as and when they fall due.

In accordance with Section 86(2) of the BTA, the directors of the Trustee-Manager further certify that:

- fees or charges paid or payable out of the trust property of the HBT Group to the Trustee-Manager are in accordance with HBT's trust deed dated 12 June 2006 (as amended);

- interested person transactions are not detrimental to the interests of all the unitholders as a whole based on the circumstances at the time of the transaction; and

- the Board of Directors is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the HBT Group or on the interests of all the unitholders as a whole.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

For and on behalf of the Board of Directors of the Trustee-Manager, M&C Business Trust Management Limited

Chan Soon Hee, Eric
Director

Vincent Yeo Wee Eng
Director

21 March 2025

STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER

In accordance with Section 86 of the BTA, I certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of HBT Group or on the interests of all the unitholders of HBT as a whole.

Vincent Yeo Wee Eng
Chief Executive Officer

21 March 2025

REPORT OF THE TRUSTEE OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST

DBS Trustee Limited (the "**H-REIT Trustee**") is under a duty to take into custody and hold the assets of CDL Hospitality Real Estate Investment Trust ("**H-REIT**") held by it or through its subsidiaries (collectively, the "**H-REIT Group**") in trust for the holders of units in H-REIT. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the H-REIT Trustee shall monitor the activities of M&C REIT Management Limited (the "**H-REIT Manager**") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 8 June 2006 (as amended) (the "**H-REIT Trust Deed**") between the H-REIT Manager and the H-REIT Trustee in each annual accounting period; and report thereon to unitholders in an annual report.

To the best knowledge of the H-REIT Trustee, the H-REIT Manager has, in all material respects, managed the H-REIT Group during the period covered by these financial statements set out on pages 190 to 299, in accordance with the limitations imposed on the investment and borrowing powers set out in the H-REIT Trust Deed.

For and on behalf of the H-REIT Trustee,
DBS Trustee Limited

Jane Lim Puay Yuen
Director

21 March 2025

REPORT OF THE MANAGER OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST

In the opinion of M&C REIT Management Limited (the "**H-REIT Manager**"), the Manager of CDL Hospitality Real Estate Investment Trust ("**H-REIT**"), the accompanying consolidated financial statements of H-REIT and its subsidiaries (collectively, the "**H-REIT Group**"), and CDL Hospitality Trusts (the "**Stapled Group**", comprising the H-REIT Group and HBT Group) set out on pages 190 to 299, comprising the statement of financial position, statement of total return, statement of movements in unitholders' funds, portfolio statement and statement of cash flows of the H-REIT Group; the statement of financial position, statement of total return, statement of movements in unitholders' funds, distribution statement, portfolio statement and statement of cash flows of the Stapled Group; and notes to the consolidated financial statements, are drawn up so as to present fairly, in all material respects, the financial positions and portfolio holdings of the H-REIT Group and the Stapled Group as at 31 December 2024 and the financial performance, movements in unitholders' funds and cash flows of the H-REIT Group and the financial performance, movements in unitholders' funds, distributable income and cash flows of the Stapled Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants and the provisions of H-REIT's trust deed between DBS Trustee Limited (the "**H-REIT Trustee**") and the H-REIT Manager dated 8 June 2006 (as amended) and the stapling deed of CDL Hospitality Trusts between the H-REIT Trustee, the H-REIT Manager and M&C Business Trust Management Limited (the Trustee-Manager of HBT) dated 12 June 2006 (as amended). At the date of this statement, there are reasonable grounds to believe that the H-REIT Group and the Stapled Group will be able to meet their respective financial obligations as and when they materialise.

For and on behalf of the H-REIT Manager,
M&C REIT Management Limited

Vincent Yeo Wee Eng
Director

21 March 2025

INDEPENDENT AUDITORS' REPORT

UNITHOLDERS

CDL Hospitality Business Trust
(Constituted under a Trust Deed in the Republic of Singapore)
CDL Hospitality Real Estate Investment Trust
(Constituted under a Trust Deed in the Republic of Singapore)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited:

(i) the consolidated financial statements of CDL Hospitality Business Trust ("**HBT**") and its subsidiaries (the "**HBT Group**"), which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss, statement of comprehensive income, statement of movements in unitholders' funds and statement of cash flows of the HBT Group for the year then ended, and notes to the consolidated financial statements, including material accounting policy information;

(ii) the consolidated 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 31 December 2024, the statement of total return, statement of movements in unitholders' funds and statement of cash flows of the H-REIT Group for the year then ended, and notes to the consolidated financial statements, including material accounting policy information; and

(iii) the consolidated financial statements of CDL Hospitality Trusts, which comprise the statement of financial position and portfolio statement as at 31 December 2024, the statement of total return, distribution statement, statement of movements in unitholders' funds and statement of cash flows of CDL Hospitality Trusts for the year then ended, and notes to the consolidated financial statements, including material accounting policy information;

as set out on pages 190 to 299. CDL Hospitality Trusts, which comprises the HBT Group and the H-REIT Group, is hereinafter referred to as the "**Stapled Group**".

In our opinion:

(a) the accompanying consolidated financial statements of the HBT Group are properly drawn up in accordance with the provisions of the Business Trusts Act 2004 of Singapore (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") so as to give a true and fair view of the financial position of the HBT Group as at 31 December 2024 and the financial performance, movements in unitholders' funds and cash flows of the HBT Group for the year ended on that date; and

(b) the accompanying consolidated financial statements of the H-REIT Group and the Stapled Group present fairly, in all material respects, the financial position and portfolio holdings of the H-REIT Group and the Stapled Group as at 31 December 2024 and the financial performance, movements in unitholders' funds and cash flows of the H-REIT Group and the financial performance, movements in unitholders' funds, distributable income and cash flows of the Stapled Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice ("**RAP**") 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants ("**ISCA**").

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the *'Auditors' responsibilities for the audit of the consolidated financial statements'* section of our report. We are independent of the HBT Group, the H-REIT Group and the Stapled Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties
(Refer to Note 4 to the consolidated financial statements)

The key audit matter

As at 31 December 2024, the Stapled Group, the H-REIT Group and the HBT Group own properties which are classified as investment properties with a total carrying value of $2.5 billion, $2.8 billion and $163.4 million respectively. Investment properties represent significant asset items on the statements of financial position.

The accounting policy of the Stapled Group, the H-REIT Group and the HBT Group is to state investment properties at fair value based on independent external valuations. The valuation process involves significant judgement in determining the valuation method to be used and in estimating the underlying assumptions to be applied. The valuations are sensitive to the key assumptions applied and a change in assumptions could have a significant impact to the valuation.

Our response

We assessed the qualifications and objectivity of the external valuers. We held discussions with the valuers to understand their valuation methods, assumptions and basis used. We considered the valuation methodologies used against those applied for similar property types by other valuers. We evaluated the reasonableness of the key assumptions used in the valuations which included a comparison of the assumptions against historical rates and available industry data, taking into consideration comparability and market factors.

Our findings

The valuers are members of recognised professional bodies for valuers. The valuation methodology and key assumptions used by the valuers are in line with generally accepted market practices and comparable to available industry data.

Valuation of property, plant and equipment
(Refer to Note 6 to the consolidated financial statements)

The key audit matter

As at 31 December 2024, the Stapled Group, the H-REIT Group and the HBT Group own hotels classified as property, plant and equipment with a total carrying value of $846.5 million, $82.4 million and $313.9 million respectively. Property, plant and equipment represents a significant asset item on the statements of financial position.

The accounting policy of the Stapled Group, the H-REIT Group and the HBT Group is to revalue freehold land, leasehold land and buildings included as part of property, plant and equipment to their fair value at the reporting date based on independent external valuations. The valuation process involves significant judgement in determining the valuation method to be used and in estimating the underlying assumptions to be applied. The valuations are sensitive to the key assumptions applied and a change in assumptions could have a significant impact to the valuation.

Our response

We assessed the qualifications and objectivity of the external valuers. We held discussions with the valuers to understand their valuation methods, assumptions and basis used. We considered the valuation methodologies used against those applied for similar property types by other valuers. We evaluated the reasonableness of the key assumptions used in the valuations which included a comparison of the assumptions against historical rates and available industry data, taking into consideration comparability and market factors.

INDEPENDENT AUDITORS' REPORT

Our findings

The valuers are members of recognised professional bodies for valuers. The valuation methodology and key assumptions used by the valuers are in line with generally accepted market practices and comparable to available industry data.

Other information

M&C Business Trust Management Limited, the Trustee-Manager of HBT (the "**HBT Trustee-Manager**") and M&C REIT Management Limited, the Manager of H-REIT (the "**H-REIT Manager**") are responsible for the other information. The other information is defined as all information in the annual report other than the consolidated financial statements and our auditors' reports thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the HBT Trustee-Manager for the consolidated financial statements

The HBT Trustee-Manager is responsible for the preparation of the consolidated financial statements of the HBT Group that gives a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets that are part of the trust property of the registered business trust are safeguarded against loss from unauthorised use or disposition; and transactions by the HBT Trustee-Manager entered into on behalf of or purported to be entered into on behalf of the registered business trust are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the consolidated financial statements, the HBT Trustee-Manager is responsible for assessing the ability of the HBT Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the HBT Trustee-Manager either intends to terminate the HBT Group or to cease the operations of the HBT Group, or has no realistic alternative but to do so.

The HBT Trustee-Manager's responsibilities include overseeing the HBT Group's financial reporting process.

Responsibilities of the H-REIT Manager for the consolidated financial statements

The H-REIT Manager is responsible for the preparation and fair presentation of the consolidated financial statements of the H-REIT Group and the Stapled Group in accordance with the recommendations of RAP 7 issued by ISCA, and for such internal controls as the H-REIT Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the H-REIT Manager is responsible for assessing the ability of the H-REIT Group and the Stapled Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the H-REIT Manager either intends to terminate the H-REIT Group and the Stapled Group or to cease the operations of the H-REIT Group and the Stapled Group, or has no realistic alternative but to do so.

The H-REIT Manager's responsibilities include overseeing the financial reporting process of the H-REIT Group and of the Stapled Group.

INDEPENDENT AUDITORS' REPORT

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the HBT Group, the H-REIT Group and the Stapled Group.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the HBT Trustee-Manager and the H-REIT Manager.

- Conclude on the appropriateness of the use of the going concern basis of accounting by the HBT Trustee-Manager and the H-REIT Manager and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the HBT Group, the H-REIT Group and the Stapled Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the HBT Group, the H-REIT Group and the Stapled Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business unit within the HBT Group, the H-REIT Group and the Stapled Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the HBT Trustee-Manager and the H-REIT Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the HBT Trustee-Manager and the H-REIT Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the HBT Trustee-Manager and the H-REIT Manager, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the HBT Trustee-Manager on behalf of HBT have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Karen Lee Shu Pei.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
21 March 2025

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

	Note	HBT Group 2024 $'000	HBT Group 2023 $'000	H-REIT Group 2024 $'000	H-REIT Group 2023 $'000	Stapled Group 2024 $'000	Stapled Group 2023 $'000
Non-current assets							
Investment properties	4	163,430	–	2,828,851	2,750,215	2,478,796	2,232,899
Investment property under development	5	–	131,423	–	–	–	131,423
Property, plant and equipment	6	313,894	288,444	82,402	71,814	846,454	814,611
Finance lease receivables	7	–	–	3,435	4,345	3,435	4,345
Deferred tax assets	13	795	721	727	751	1,522	1,472
Financial derivative assets	11	–	–	8,065	8,300	8,065	8,300
Other receivables	8	529	529	222,745	145,801	677	677
		478,648	421,117	3,146,225	2,981,226	3,338,949	3,193,727
Current assets							
Inventories		2,501	2,451	–	–	2,501	2,451
Finance lease receivables	7	–	–	910	800	910	800
Trade and other receivables	8	24,049	23,705	43,290	45,997	31,298	27,446
Financial derivative assets	11	–	–	655	6,210	655	6,210
Cash and cash equivalents	9	21,713	14,798	56,575	57,202	78,288	72,000
		48,263	40,954	101,430	110,209	113,652	108,907
Total assets		526,911	462,071	3,247,655	3,091,435	3,452,601	3,302,634
Non-current liabilities							
Loans and borrowings	10	422,040	352,768	907,844	834,679	1,017,730	941,683
Financial derivative liabilities	11	–	–	548	1,476	548	1,476
Other payables	12	57	74	12,099	11,665	12,156	11,739
Deferred tax liabilities	13	26,058	23,886	21,203	16,429	49,548	43,151
		448,155	376,728	941,694	864,249	1,079,982	998,049
Current liabilities							
Loans and borrowings	10	9,333	8,896	461,300	348,173	461,348	348,313
Trade and other payables	12	75,128	67,221	41,267	45,088	62,685	60,260
Financial derivative liabilities	11	–	–	179	30	179	30
Provision for taxation		2,290	2,870	5,831	6,850	8,121	9,720
		86,751	78,987	508,577	400,141	532,333	418,323
Total liabilities		534,906	455,715	1,450,271	1,264,390	1,612,315	1,416,372
Net (liabilities)/assets		(7,995)	6,356	1,797,384	1,827,045	1,840,286	1,886,262
Represented by:							
Unitholders' funds		(7,995)	6,356	1,789,476	1,819,229	1,832,378	1,878,446
Non-controlling interests	14	–	–	7,908	7,816	7,908	7,816
		(7,995)	6,356	1,797,384	1,827,045	1,840,286	1,886,262
Units/Stapled Securities in issue ('000)	15	1,256,857	1,245,832	1,256,857	1,245,832	1,256,857	1,245,832
Net asset value per Unit/ Stapled Security ($)	16	(0.0063)	0.0051	1.42	1.45	1.45	1.50

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

STATEMENT OF PROFIT OR LOSS OF THE HBT GROUP STATEMENTS OF TOTAL RETURN OF THE H-REIT GROUP AND THE STAPLED GROUP

Year ended 31 December 2024

	Note	HBT Group 2024 $'000	HBT Group 2023 $'000	H-REIT Group 2024 $'000	H-REIT Group 2023 $'000	Stapled Group 2024 $'000	Stapled Group 2023 $'000
Revenue	17	144,607	141,985	143,049	144,712	260,259	257,556
Property expenses							
Operations and maintenance expenses		(32,267)	(30,280)	–	–	(32,267)	(30,280)
Employee benefit expenses		(46,826)	(45,214)	–	–	(46,826)	(45,214)
Rental expenses		(15,634)	(17,310)	–	–	(53)	(59)
Property tax		(1,910)	(1,374)	(8,375)	(6,931)	(10,285)	(8,305)
Other property expenses		(29,206)	(28,446)	(13,893)	(9,118)	(35,605)	(35,394)
		(125,843)	(122,624)	(22,268)	(16,049)	(125,036)	(119,252)
Net property income		18,764	19,361	120,781	128,663	135,223	138,304
H-REIT Manager's management fee	18	–	–	(12,726)	(12,639)	(12,726)	(12,639)
H-REIT Trustee's fee		–	–	(448)	(409)	(448)	(409)
HBT Trustee-Manager's management fee	18	(1,343)	(1,188)	–	–	(1,343)	(1,188)
HBT Trustee-Manager's trustee fee		(381)	(305)	–	–	(381)	(305)
HBT Trustee-Manager's acquisition fee		(334)	–	–	–	(334)	–
Valuation fee		(46)	(53)	(188)	(208)	(234)	(261)
Depreciation		(16,428)	(16,471)	(1,804)	(1,877)	(22,576)	(21,931)
Other expenses		(5,175)	(2,024)	(2,778)	(3,302)	(7,947)	(5,269)
Finance income		98	86	7,937	7,188	578	849
Finance costs		(20,604)	(16,531)	(58,923)	(58,023)	(68,823)	(63,310)
Net finance costs	19	(20,506)	(16,445)	(50,986)	(50,835)	(68,245)	(62,461)
Net (loss)/income before fair value adjustment		(25,449)	(17,125)	51,851	59,393	20,989	33,841
Gain from a bargain purchase		3,035	–	–	–	3,035	–
Reversal of revaluation deficit/(Revaluation deficit) on property, plant and equipment		1,819	3,158	–	–	(8,689)	943
Net fair value (loss)/gain on investment properties and investment property under development		(574)	6,735	(9,738)	80,787	5,771	106,972
(Loss)/Total return for the year before tax	20	(21,169)	(7,232)	42,113	140,180	21,106	141,756
Tax expense	21	(1,480)	(4,779)	(5,080)	(10,949)	(6,163)	(17,791)
(Loss)/Total return for the year	22	(22,649)	(12,011)	37,033	129,231	14,943	123,965
(Loss)/Total return attributable to:							
Unitholders		(22,649)	(12,011)	36,455	128,478	14,365	123,212
Non-controlling interests	14	–	–	578	753	578	753
		(22,649)	(12,011)	37,033	129,231	14,943	123,965
Earnings per Stapled Security (cents)	23						
Basic						1.15	9.91
Diluted						1.14	9.84

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

STATEMENT OF COMPREHENSIVE INCOME OF THE HBT GROUP

Year ended 31 December 2024

	HBT Group	
	2024	2023
	$'000	$'000
Loss for the year	(22,649)	(12,011)
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Revaluation surplus on property, plant and equipment	4,918	9,251
Tax effect on revaluation of property, plant and equipment	(1,401)	(3,144)
	3,517	6,107
Items that are or may be reclassified subsequently to profit or loss:		
Translation differences relating to financial statements of foreign subsidiaries	2,018	4,867
Exchange differences on monetary items forming part of net investment in foreign operations	1,155	2,867
Exchange differences on hedge of net investment in foreign operations	534	(1,623)
	3,707	6,111
Other comprehensive income for the year, net of tax	7,224	12,218
Total comprehensive income for the year	(15,425)	207

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2024

HBT 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
At 1 January 2024	108,488	(121)	11,926	(1,588)	(112,349)	6,356
Operations						
- Decrease in net assets resulting from operations	–	–	–	–	(22,649)	(22,649)
Revaluation reserve						
- Revaluation surplus on property, plant and equipment	–	–	4,918	–	–	4,918
- Tax effect on revaluation of property, plant and equipment	–	–	(1,401)	–	–	(1,401)
Foreign currency translation reserve						
- Translation differences relating to financial statements of foreign subsidiaries	–	–	–	2,018	–	2,018
- Exchange differences on monetary items forming part of net investment in foreign operations	–	–	–	1,155	–	1,155
- Exchange differences on hedge of net investment in foreign operations	–	–	–	534	–	534
Other comprehensive income	–	–	3,517	3,707	–	7,224
Total comprehensive income	–	–	3,517	3,707	(22,649)	(15,425)
Transactions with owners, recorded directly in equity						
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	1,074	–	–	–	–	1,074
Total transactions with owners	1,074	–	–	–	–	1,074
At 31 December 2024	109,562	(121)	15,443	2,119	(134,998)	(7,995)

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2024

H-REIT GROUP

	Attributable to Stapled Security Holders $'000	Non-controlling interests $'000	Total $'000
At 1 January 2024	1,819,229	7,816	1,827,045
Operations			
- Increase in net assets resulting from operations	36,455	578	37,033
Revaluation reserve			
- Revaluation surplus on property, plant and equipment	17,129	–	17,129
- Tax effect on revaluation of property, plant and equipment	(3,021)	–	(3,021)
Foreign currency translation reserve			
- Translation differences relating to financial statements of foreign subsidiaries	(17,567)	(259)	(17,826)
- Exchange differences on monetary items forming part of net investment in foreign operations	(1,952)	–	(1,952)
- Exchange differences on hedge of net investment in foreign operations	315	–	315
Other comprehensive income	(5,096)	(259)	(5,355)
Total comprehensive income	31,359	319	31,678
Transactions with owners, recorded directly in equity			
- Distributions to holders of Stapled Securities	(71,293)	(227)	(71,520)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	10,181	–	10,181
Total transactions with owners	(61,112)	(227)	(61,339)
At 31 December 2024	1,789,476	7,908	1,797,384

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2024

STAPLED GROUP

	Attributable to Stapled Security Holders $'000	Non-controlling interests $'000	Total $'000
At 1 January 2024	1,878,446	7,816	1,886,262
Operations			
- Increase in net assets resulting from operations	14,365	578	14,943
Revaluation reserve			
- Revaluation surplus on property, plant and equipment	20,087	–	20,087
- Tax effect on revaluation of property, plant and equipment	(4,422)	–	(4,422)
Foreign currency translation reserve			
- Translation differences relating to financial statements of foreign subsidiaries	(15,592)	(259)	(15,851)
- Exchange differences on monetary items forming part of net investment in foreign operations	(796)	–	(796)
- Exchange differences on hedge of net investment in foreign operations	328	–	328
Other comprehensive income	(395)	(259)	(654)
Total comprehensive income	13,970	319	14,289
Transactions with owners, recorded directly in equity			
- Distributions to holders of Stapled Securities	(71,293)	(227)	(71,520)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	10,181	–	10,181
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	1,074	–	1,074
Total transactions with owners	(60,038)	(227)	(60,265)
At 31 December 2024	1,832,378	7,908	1,840,286

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2024

HBT GROUP

	Units in issue and to be issued	Issue expenses	Revaluation reserve	Foreign currency translation reserve	Accumulated losses	Total
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 January 2023	108,643	(121)	5,819	(7,699)	(99,631)	7,011
Operations						
- Decrease in net assets resulting from operations	–	–	–	–	(12,011)	(12,011)
Revaluation reserve						
- Revaluation surplus on property, plant and equipment	–	–	9,251	–	–	9,251
- Tax effect on revaluation of property, plant and equipment	–	–	(3,144)	–	–	(3,144)
Foreign currency translation reserve						
- Translation differences relating to financial statements of foreign subsidiaries	–	–	–	4,867	–	4,867
- Exchange differences on monetary items forming part of net investment in foreign operations	–	–	–	2,867	–	2,867
- Exchange differences on hedge of net investment in foreign operations	–	–	–	(1,623)	–	(1,623)
Other comprehensive income	–	–	6,107	6,111	–	12,218
Total comprehensive income	–	–	6,107	6,111	(12,011)	207
Transactions with owners, recorded directly in equity						
- Distributions to holders of Stapled Securities	(1,105)	–	–	–	(707)	(1,812)
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	950	–	–	–	–	950
Total transactions with owners	(155)	–	–	–	(707)	(862)
At 31 December 2023	108,488	(121)	11,926	(1,588)	(112,349)	6,356

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2024

H-REIT GROUP

	Attributable to Stapled Security Holders	Non-controlling interests	Total
	$'000	$'000	$'000
At 1 January 2023	1,750,373	6,926	1,757,299
Operations			
- Increase in net assets resulting from operations	128,478	753	129,231
Revaluation reserve			
- Revaluation surplus on property, plant and equipment	10,407	–	10,407
- Tax effect on revaluation of property, plant and equipment	(1,820)	–	(1,820)
Foreign currency translation reserve			
- Translation differences relating to financial statements of foreign subsidiaries	(7,370)	137	(7,233)
- Exchange differences on monetary items forming part of net investment in foreign operations	546	–	546
- Exchange differences on hedge of net investment in foreign operations	2,378	–	2,378
Other comprehensive income	4,141	137	4,278
Total comprehensive income	132,619	890	133,509
Transactions with owners, recorded directly in equity			
- Distributions to holders of Stapled Securities	(73,874)	–	(73,874)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	10,111	–	10,111
Total transactions with owners	(63,763)	–	(63,763)
At 31 December 2023	1,819,229	7,816	1,827,045

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2024

STAPLED GROUP

	Attributable to Stapled Security Holders	Non-controlling interests	Total
	$'000	$'000	$'000
At 1 January 2023	1,786,218	6,926	1,793,144
Operations			
- Increase in net assets resulting from operations	123,212	753	123,965
Revaluation reserve			
- Revaluation surplus on property, plant and equipment	40,152	–	40,152
- Tax effect on revaluation of property, plant and equipment	(4,964)	–	(4,964)
Foreign currency translation reserve			
- Translation differences relating to financial statements of foreign subsidiaries	(2,921)	137	(2,784)
- Exchange differences on monetary items forming part of net investment in foreign operations	3,413	–	3,413
- Exchange differences on hedge of net investment in foreign operations	(2,039)	–	(2,039)
Other comprehensive income	33,641	137	33,778
Total comprehensive income	156,853	890	157,743
Transactions with owners, recorded directly in equity			
- Distributions to holders of Stapled Securities	(75,686)	–	(75,686)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	10,111	–	10,111
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	950	–	950
Total transactions with owners	(64,625)	–	(64,625)
At 31 December 2023	1,878,446	7,816	1,886,262

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 the 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 consolidated financial statements.

DISTRIBUTION STATEMENT OF THE STAPLED GROUP

Year ended 31 December 2024

	Note	Stapled Group 2024 $'000	Stapled Group 2023 $'000
Amount available for distribution to holders of Stapled Securities at the beginning of the year		38,697	43,413
Total return of H-REIT	22	20,929	141,424
Loss of HBT	22	(12,671)	(3,658)
Net tax adjustments (Note A)		54,530	(73,032)
		62,788	64,734
Less: Amount retained for working capital		(6,261)	(6,473)
Add: Capital distribution		10,323	12,709
Amount available for distribution to holders of Stapled Securities		105,547	114,383
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 2.51 cents per Stapled Security for the period from 1/1/2023 to 30/06/2023		–	(31,234)
Distribution of 3.19 cents per Stapled Security for the period from 1/7/2023 to 31/12/2023		(39,789)	–
Distribution of 2.51 cents per Stapled Security for the period from 1/1/2024 to 30/06/2024		(31,504)	–
		(71,293)	(75,686)
Amount available for distribution to holders of Stapled Securities at the end of the year		34,254	38,697
Distribution per Stapled Security (DPS) (cents) [1]		5.32	5.70
Note A – Net tax adjustments comprise:			
Non-tax deductible/(chargeable) items:			
- Amortisation of transaction costs		2,140	1,993
- Fair value loss on financial derivatives		5,023	13,333
- Financial expense arising from accretion of non-current rental deposits measured at amortised cost		282	271
- Foreign exchange loss/(gain)		6,720	(1,728)
- Impairment loss on investment in subsidiaries (net)		5,892	6,592
- H-REIT Manager's management fee paid/payable in Stapled Securities		10,181	10,111
- H-REIT Trustee's fee		448	409
- HBT Trustee-Manager's management fee paid/payable in Stapled Securities		1,074	950
- HBT Trustee-Manager's trustee fee		381	305
- Net fair value loss/(gain) on investment properties		6,781	(121,223)
- Other items		15,608	15,955
Net tax adjustments		54,530	(73,032)

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

[1] The DPS relates to the distributions in respect of the relevant financial year. The distribution for the second half of the financial year will be made subsequent to the financial year end.

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

PORTFOLIO STATEMENTS
As at 31 December 2024

H-REIT GROUP

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2024 [1]	Carrying value at 31/12/2023 [1]	Percentage of total net assets at 31/12/2024	Percentage of total net assets at 31/12/2023
						$'000	$'000	%	%
Investment properties									
Singapore									
Orchard Hotel	Freehold [2]	75 years	57 years	442 Orchard Road	Hotel	517,000	515,000	28.8	28.2
Claymore Connect	Freehold [2]	75 years	57 years	442 Orchard Road	Retail	120,000	110,000	6.7	6.0
Grand Copthorne Waterfront Hotel	Freehold [2]	75 years	57 years	392 Havelock Road	Hotel	428,000	420,000	23.8	23.0
M Hotel	Freehold [2]	75 years	57 years	81 Anson Road	Hotel	272,000	271,000	15.1	14.8
Copthorne King's Hotel	Leasehold	99 years from 1 February 1968	42 years	403 Havelock Road	Hotel	146,000	146,000	8.1	8.0
Studio M Hotel	Leasehold	99 years from 26 February 2007	81 years	3 Nanson Road	Hotel	206,000	206,000	11.5	11.3
W Singapore – Sentosa Cove	Leasehold	99 years from 31 October 2006	81 years	21 Ocean Way	Hotel	383,101	396,227	21.3	21.7
Balance carried forward						2,072,101	2,064,227	115.3	113.0

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

PORTFOLIO STATEMENTS
As at 31 December 2024

H-REIT GROUP (CONT'D)

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2024 [1] $'000	Carrying value at 31/12/2023 [1] $'000	Percentage of total net assets at 31/12/2024 %	Percentage of total net assets at 31/12/2023 %
Balance brought forward						2,072,101	2,064,227	115.3	113.0
Germany									
Pullman Hotel Munich	Freehold	–	–	Theodor-Dombart-Strasse 4, Munich	Hotel	147,662	152,935	8.2	8.4
Italy									
Hotel Cerretani Firenze – MGallery	Freehold	–	–	Via De Cerretani 68, Florence	Hotel	67,517	66,398	3.8	3.6
New Zealand									
Grand Millennium Auckland	Freehold	–	–	71 – 87 Mayoral Drive, Auckland	Hotel	167,907	176,248	9.3	9.6
Australia									
Ibis Perth	Freehold	–	–	334 Murray Street, Perth	Hotel	31,978	26,571	1.8	1.5
Mercure Perth	Freehold	–	–	10 Irwin Street, Perth	Hotel	37,908	35,578	2.1	1.9
Maldives									
Angsana Velavaru	Leasehold	99 years from 26 August 1997	72 years	South Nilandhe Atoll	Resort	92,135	89,769	5.1	4.9
Raffles Maldives Meradhoo	Leasehold	99 years from 15 June 2006	80 years	Gaafu Alifu Atoll	Resort	60,499	58,940	3.4	3.2
United Kingdom									
voco Manchester (formerly known as Hotel Brooklyn)	Leasehold	197 years from 7 May 2021	193 years	57 & 59 Portland Street, Manchester	Hotel	84,001	79,549	4.7	4.4
Benson Yard	Freehold	–	–	18 Benson Street, Liverpool	Residential	67,143 [3]	–	3.7	–
Investment properties						2,828,851	2,750,215	157.4	150.5

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

PORTFOLIO STATEMENTS
As at 31 December 2024

H-REIT GROUP (CONT'D)

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2024 [1]	Carrying value at 31/12/2023 [1]	Percentage of total net assets at 31/12/2024	Percentage of total net assets at 31/12/2023
						$'000	$'000	%	%
Property, plant and equipment									
Japan									
Hotel MyStays Asakusabashi	Freehold	–	–	1-5-5 Asakusabashi, Taito-ku, Tokyo	Hotel	52,643	42,501	2.9	2.3
Hotel MyStays Kamata	Freehold	–	–	5-46-5 Kamata, Ota-ku, Tokyo	Hotel	28,306	28,086	1.6	1.5
Other plant and equipment	–	–	–	–	–	1,453	1,227	0.1	0.1
Property, plant and equipment						82,402	71,814	4.6	3.9
Investment properties and property, plant and equipment						2,911,253	2,822,029	162.0	154.4
Other assets and liabilities (net)						(1,113,869)	(994,984)	(62.0)	(54.4)
Net assets of the H-REIT Group						1,797,384	1,827,045	100.0	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) The acquisition of Benson Yard was completed on 19 December 2024.

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

PORTFOLIO STATEMENTS
As at 31 December 2024

STAPLED GROUP

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2024 [1] $'000	Carrying value at 31/12/2023 [1] $'000	Percentage of total net assets at 31/12/2024 %	Percentage of total net assets at 31/12/2023 %
Investment properties									
Singapore									
Orchard Hotel	Freehold [2]	75 years	57 years	442 Orchard Road	Hotel	517,000	515,000	28.1	27.3
Claymore Connect	Freehold [2]	75 years	57 years	442 Orchard Road	Retail	120,000	110,000	6.5	5.8
Grand Copthorne Waterfront Hotel	Freehold [2]	75 years	57 years	392 Havelock Road	Hotel	428,000	420,000	23.3	22.3
M Hotel	Freehold [2]	75 years	57 years	81 Anson Road	Hotel	272,000	271,000	14.8	14.4
Copthorne King's Hotel	Leasehold	99 years from 1 February 1968	42 years	403 Havelock Road	Hotel	146,000	146,000	7.9	7.7
Studio M Hotel	Leasehold	99 years from 26 February 2007	81 years	3 Nanson Road	Hotel	206,000	206,000	11.2	10.9
Balance carried forward						1,689,000	1,668,000	91.8	88.4

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

PORTFOLIO STATEMENTS
As at 31 December 2024

STAPLED GROUP (CONT'D)

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2024 [1] $'000	Carrying value at 31/12/2023 [1] $'000	Percentage of total net assets at 31/12/2024 %	Percentage of total net assets at 31/12/2023 %
Balance brought forward						1,689,000	1,668,000	91.8	88.4
Germany									
Pullman Hotel Munich	Freehold	–	–	Theodor-Dombart-Strasse 4, Munich	Hotel	147,662	152,935	8.0	8.1
Italy									
Hotel Cerretani Firenze – MGallery	Freehold	–	–	Via De Cerretani 68, Florence	Hotel	67,517	66,398	3.7	3.5
New Zealand									
Grand Millennium Auckland	Freehold	–	–	71 – 87 Mayoral Drive, Auckland	Hotel	167,907	176,248	9.1	9.3
Maldives									
Angsana Velavaru	Leasehold	99 years from 26 August 1997	72 years	South Nilandhe Atoll	Resort	92,135	89,769	5.0	4.8
United Kingdom									
voco Manchester (formerly known as Hotel Brooklyn)	Leasehold	197 years from 7 May 2021	193 years	57 & 59 Portland Street, Manchester	Hotel	84,001	79,549	4.6	4.2
The Castings	Freehold	–	–	9 Heyrod Street, Manchester	Residential	156,621	131,423 [4]	8.5	7.0
Hotel Indigo Exeter (retail units)	Freehold	–	–	3 Catherine St, Exeter	Retail	6,810 [5]	–	0.4	–
Benson Yard	Freehold	–	–	18 Benson Street, Liverpool	Residential	67,143 [3]	–	3.6	–
Investment properties						2,478,796	2,364,322	134.7	125.3

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

PORTFOLIO STATEMENTS
As at 31 December 2024

STAPLED GROUP (CONT'D)

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2024 [1] $'000	Carrying value at 31/12/2023 [1] $'000	Percentage of total net assets at 31/12/2024 %	Percentage of total net assets at 31/12/2023 %
Property, plant and equipment									
Singapore									
W Singapore – Sentosa Cove	Leasehold	99 years from 31 October 2006	81 years	21 Ocean Way	Hotel	387,137	409,248	21.0	21.7
Australia									
Ibis Perth	Freehold	–	–	334 Murray Street, Perth	Hotel	35,578	31,074	1.9	1.6
Mercure Perth	Freehold	–	–	10 Irwin Street, Perth	Hotel	41,931	40,532	2.3	2.1
Maldives									
Raffles Maldives Meradhoo	Leasehold	99 years from 15 June 2006	80 years	Gaafu Alifu Atoll	Resort	71,370	69,528	3.9	3.7
Japan									
Hotel MyStays Asakusabashi	Freehold	–	–	1-5-5 Asakusabashi, Taito-ku, Tokyo	Hotel	52,643	42,501	2.9	2.3
Hotel MyStays Kamata	Freehold	–	–	5-46-5 Kamata, Ota-ku, Tokyo	Hotel	28,306	28,086	1.5	1.5
United Kingdom									
Hilton Cambridge City Centre	Leasehold	125 years from 25 December 1990	91 years	20 Downing Street, Cambridge	Hotel	110,574	107,486	6.0	5.7
The Lowry Hotel	Leasehold	150 years from 18 March 1997	122 years	50 Dearmans Place, Salford, Manchester	Hotel	87,283	84,744	4.7	4.5
Hotel Indigo Exeter	Freehold	–	–	3 Catherine St, Exeter	Hotel	30,179 [5]	–	1.6	–
Other plant and equipment	–	–	–	–	–	1,453	1,412	0.1	0.1
Property, plant and equipment						846,454	814,611	45.9	43.2
Investment properties and property, plant and equipment						3,325,250	3,178,933	180.6	168.5
Other assets and liabilities (net)						(1,484,964)	(1,292,671)	(80.6)	(68.5)
Net assets of the Stapled Group						1,840,286	1,886,262	100.0	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) The acquisition of Benson Yard and the vacant freehold land adjacent to Benson Yard was completed on 19 December 2024.
(4) The residential build-to-rent project was classified as investment property under development in 2023 and subsequently reclassified to investment properties (Note 4) after the practical completion of the development work on 4 June 2024 and is known as the "The Castings".
(5) The acquisition of Hotel Indigo Exeter was completed on 6 November 2024.

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

PORTFOLIO STATEMENTS

As at 31 December 2024

The carrying values of the investment properties are as follows:

	H-REIT Group		Stapled Group	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Investment properties				
Orchard Hotel	517,000	515,000	517,000	515,000
Grand Copthorne Waterfront Hotel	428,000	420,000	428,000	420,000
M Hotel	272,000	271,000	272,000	271,000
Copthorne King's Hotel	146,000	146,000	146,000	146,000
W Singapore – Sentosa Cove	383,101	396,227	–	–
Studio M Hotel	206,000	206,000	206,000	206,000
Claymore Connect	120,000	110,000	120,000	110,000
Grand Millennium Auckland	167,907	176,248	167,907	176,248
Ibis Perth	31,978	26,571	–	–
Mercure Perth	37,908	35,578	–	–
Angsana Velavaru	92,135	89,769	92,135	89,769
Raffles Maldives Meradhoo	60,499	58,940	–	–
Pullman Hotel Munich	147,662	152,935	147,662	152,935
Hotel Cerretani Firenze – MGallery	67,517	66,398	67,517	66,398
The Castings	–	–	156,621	131,423 [1]
voco Manchester (formerly known as Hotel Brooklyn)	84,001	79,549	84,001	79,549
Hotel Indigo Exeter (retail units)	–	–	6,810	–
Benson Yard	67,143	–	67,143	–
	2,828,851	2,750,215	2,478,796	2,364,322

The carrying values of property, plant and equipment by property are set out below:

	H-REIT Group		Stapled Group	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Property, plant and equipment				
W Singapore – Sentosa Cove	–	–	387,137	409,248
Ibis Perth	–	–	35,578	31,074
Mercure Perth	–	–	41,931	40,532
Raffles Maldives Meradhoo	–	–	71,370	69,528
Hotel MyStays Asakusabashi	52,643	42,501	52,643	42,501
Hotel MyStays Kamata	28,306	28,086	28,306	28,086
Hilton Cambridge City Centre	–	–	110,574	107,486
The Lowry Hotel	–	–	87,283	84,744
Hotel Indigo Exeter	–	–	30,179	–
Other plant and equipment	1,453	1,227	1,453	1,412
	82,402	71,814	846,454	814,611

[1] Investment property under development in 2023.

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

PORTFOLIO STATEMENTS

As at 31 December 2024

As at 31 December 2024 and 31 December 2023, Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel, Studio M Hotel and Grand Millennium Auckland are leased by the H-REIT Group to related corporations of the H-REIT Manager. As at 31 December 2024 and 31 December 2023, W Singapore – Sentosa Cove, Raffles Maldives Meradhoo, the Japan properties and the Australia properties are leased by the H-REIT Group to the HBT Group.

The terms of the leases are as follows:

Singapore

The leases for Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel and Copthorne King's Hotel contain an initial term of 20 years from 19 July 2006 with an option to renew for another 20 years. The lease for Studio M Hotel contains an initial term of 20 years from 3 May 2011 with an option to renew up to a total term of 70 years. The lease for W Singapore – Sentosa Cove contains a term of 20 years. The leases for Claymore Connect generally contain an initial term of 1 to 3 years.

New Zealand

The lease for Grand Millennium Auckland contains a term of 3 years from 7 September 2019 with an option to extend for a 3-year period, which has been renewed for a term of 3 years from 7 September 2022.

Australia

The leases for the Australia properties contain a term of 10 years from 1 May 2021.

Maldives

The lease for Angsana Velavaru contains a term of 10 years from 1 February 2023. The lease of Raffles Maldives Meradhoo is with CDL HBT Oceanic Maldives Private Limited, an indirect subsidiary of HBT, for a term of 10 years from 31 December 2013 with an option to renew for another 10 years, which has been renewed for a term of 10 years from 31 December 2023.

Japan

The Japan properties are under master lease arrangements between a trust bank in Japan (in its capacity as the trust bank holding the legal title to the Japan hotels) and AKO GK, an indirect subsidiary of HBT. The leases for the properties were renewed for a term of 1 year from 18 July 2024.

Germany

The lease for Pullman Hotel Munich contains a term of 20 years from 14 July 2017. The leases for the office and retail components generally contain an initial term of 1 to 5 years.

Italy

The lease for Hotel Cerretani Firenze – MGallery contains a term of 20 years from 27 November 2018.

United Kingdom

The lease for voco Manchester contains a term of 60 years from 7 May 2021, with an option for lessee to terminate the lease on 15 January 2045 and every 5-year interval thereafter.

The leases for The Castings and Benson Yard generally contain an initial term of between 6 to 12 months.

The leases for Hotel Indigo Exeter (retail units) contain an initial term of 10 years where the two tenants may terminate the lease by serving a written notice at least 6 months before the fifth and sixth anniversary of the lease.

Subsequent renewals are renegotiated with the lessees.

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

STATEMENTS OF CASH FLOWS

Year ended 31 December 2024

	Note	HBT Group		H-REIT Group		Stapled Group	
		2024	2023	2024	2023	2024	2023
		$'000	$'000	$'000	$'000	$'000	$'000
Cash flows from operating activities							
(Loss)/Total return for the year before tax		(21,169)	(7,232)	42,113	140,180	21,106	141,756
Adjustments for:							
H-REIT Manager's and HBT Trustee-Manager's fees paid/payable in Stapled Securities		1,074	950	10,181	10,111	11,255	11,061
Depreciation of property, plant and equipment	6	16,428	16,471	1,804	1,877	22,576	21,931
Gain on disposal of property, plant and equipment		–	–	–	–	–	(13)
Write-off of property, plant and equipment		–	410	–	–	–	410
Impairment loss on trade and other receivables		43	93	7,494	2,333	43	255
Gain from a bargain purchase		(3,035)	–	–	–	(3,035)	–
(Reversal of revaluation deficit)/Revaluation deficit on property, plant and equipment		(1,819)	(3,158)	–	–	8,689	(943)
Net fair value loss/(gain) on investment properties and investment property under development		574	(6,735)	9,738	(80,787)	(5,771)	(106,972)
Net finance costs		20,506	16,445	50,986	50,835	68,245	62,461
Operating income before working capital changes		12,602	17,244	122,316	124,549	123,108	129,946
Changes in:							
- Inventories		68	(83)	–	–	68	(83)
- Trade and other receivables		(3,544)	(1,651)	(6,036)	(10,590)	(6,478)	(4,523)
- Trade and other payables		17,476	6,853	(3,102)	8,399	9,897	5,772
Cash generated from operations		26,602	22,363	113,178	122,358	126,595	131,112
Tax paid		(2,723)	(2,449)	(3,166)	(4,896)	(5,889)	(7,345)
Net cash generated from operating activities		23,879	19,914	110,012	117,462	120,706	123,767
Cash flows from investing activities							
Loans to related entity		–	–	(67,317)	(50,205)	–	–
Acquisition of properties and business	29	(35,045)	–	(67,119)	–	(102,164)	–
Additions to property, plant and equipment		(1,925)	(3,238)	(616)	(1,621)	(16,790)	(13,934)
Proceeds from disposal of property, plant and equipment		–	–	–	–	–	13
Capital expenditure on investment properties and investment property under development		(26,848)	(58,000)	(37,769)	(27,784)	(49,488)	(74,875)
Receipt of finance lease receivables		–	–	800	561	800	561
Interest received		98	86	506	847	604	933
Net cash used in investing activities		(63,720)	(61,152)	(171,515)	(78,202)	(167,038)	(87,302)

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

STATEMENTS OF CASH FLOWS

Year ended 31 December 2024

	Note	HBT Group 2024 $'000	HBT Group 2023 $'000	H-REIT Group 2024 $'000	H-REIT Group 2023 $'000	Stapled Group 2024 $'000	Stapled Group 2023 $'000
Cash flows from financing activities							
Loans from related entity		67,317	50,205	–	–	–	–
Proceeds from bank loans		–	–	736,307	417,638	736,307	417,638
Repayment of bank loans		–	–	(550,445)	(352,349)	(550,445)	(352,349)
Payment of transaction costs related to bank loans		(6)	(15)	(2,273)	(1,796)	(2,279)	(1,811)
Payment of lease liabilities		(8,832)	(7,978)	(957)	(718)	(1,099)	(853)
Finance costs paid		(11,673)	(10,102)	(48,760)	(41,734)	(56,818)	(47,917)
Distributions to holders of Stapled Securities		–	(1,812)	(71,293)	(73,874)	(71,293)	(75,686)
Movement in restricted cash		–	–	(186)	(538)	(186)	(538)
Net cash generated from/(used in) financing activities		46,806	30,298	62,393	(53,371)	54,187	(61,516)
Net increase/(decrease) in cash and cash equivalents		6,965	(10,940)	890	(14,111)	7,855	(25,051)
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		(50)	189	(1,554)	(455)	(1,604)	(266)
Cash and cash equivalents at end of the year	9	21,713	14,798	54,521	55,185	76,234	69,983

Significant non-cash transactions

There were the following non-cash transactions:

(i) 9,991,504 (2023: 8,091,477) Stapled Securities amounting to $10.4 million (2023: $9.6 million) were issued to the H-REIT Manager as satisfaction of the management fee payable in Stapled Securities.

(ii) 1,033,978 (2023: 720,643) Stapled Securities amounting to $1.1 million (2023: $0.9 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 consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

These notes form an integral part of the consolidated financial statements.

The consolidated financial statements were authorised for issue by the HBT Trustee-Manager, the H-REIT Manager and the H-REIT Trustee on 21 March 2025.

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 may 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.

Several service agreements are in place in relation to the management of HBT and H-REIT and its property operations. The fee structures of these services are as follows:

(i) HBT Trustee-Manager's fees

Pursuant to Clauses 12.1, 12.2, 12.3 and 12.4 of the HBT Trust Deed, the HBT Trustee-Manager is entitled to the following:

- Trustee fee of not exceeding 0.1% per annum of the value of HBT's Deposited Property (as defined in the HBT Trust Deed), subject to a minimum fee of $10,000 per month, if the value of HBT's Deposited Property is at least $50.0 million. The trustee fee is payable in arrears on a monthly basis in the form of cash.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL (CONT'D)

(i) HBT Trustee-Manager's fees (cont'd)

- Management fees comprising a base fee of 0.25% per annum of the value of HBT's Deposited Property (as defined in the HBT Trust Deed) and a performance fee of 5.0% per annum of HBT's Net Property Income (as defined in the HBT Trust Deed).

  The HBT Trustee-Manager's management fees are payable in the form of Stapled Securities and/or cash as the HBT Trustee-Manager may elect (such election to be irrevocable and made prior to the relevant calendar quarter), and in such proportion as may be determined by the HBT Trustee-Manager, such determination to be irrevocable and made prior to the relevant calendar quarter. Where the management fees are payable in the form of Stapled Securities or (in the event that unstapling of the H-REIT units and HBT units has taken place) HBT units, such Stapled Securities or HBT units shall be issued at the Market Price (as defined in the HBT Trust Deed) prevailing at the date the management fees accrue.

  For the years ended 31 December 2024 and 31 December 2023, 80% of the HBT Trustee-Manager's management fees was satisfied in Stapled Securities and the remaining 20% was satisfied in cash.

  Any increase in the maximum permitted rate or any change in the structure of the HBT Trustee-Manager's management fees must be approved by an extraordinary resolution at a meeting of holders of the HBT units duly convened and held in accordance with the provisions of the HBT Trust Deed.

  The portion of the base management fee payable in the form of Stapled Securities is paid on a quarterly basis, in arrears. The portion of the base management fee payable in the form of cash is paid on a monthly basis, in arrears. Performance fee is paid on an annual basis in arrears, regardless of whether it is paid in the form of Stapled Securities or in cash.

- An acquisition fee of 1% (0.75% for acquisitions from related parties as defined in the HBT Trust Deed) of the acquisition price and a divestment fee of 0.5% of the sale price on all future acquisitions or disposals of properties. Both the acquisition fee and divestment fee are payable in the form of Stapled Securities and/or cash as the HBT Trustee-Manager may elect, and in such proportion as may be determined by the HBT Trustee-Manager. In the event that the HBT Trustee-Manager receives an acquisition fee in connection with a transaction with a related party, any such acquisition fee shall be paid in the form of Stapled Securities issued at the market price.

- Development management fee of 3% of the Total Project Costs (as defined in the HBT Trust Deed) incurred in a Development Project (as defined in the HBT Trust Deed) undertaken on behalf of the HBT Group. If the estimated Total Project Costs exceeds $200.0 million, the HBT Trustee-Manager's independent directors will first review and approve the quantum of the development management fee whereupon the HBT Trustee-Manager may be directed by its independent directors to reduce the development management fee.

  The development management fee is payable in equal monthly instalments in cash over the construction period of each Development Project based on the HBT Trustee-Manager's best estimate of the Total Project Costs and construction period and, if necessary, a final payment of the balance amount to be paid to the HBT Trustee-Manager or (as the case may be) paid by the HBT Trustee-Manager when the Total Project Costs is finalised. No acquisition fee shall be paid when the HBT Trustee-Manager receives the development management fee for a Development Project.

  Any increase in the percentage or any change in the structure of the HBT Trustee-Manager's development management fee must be approved by an extraordinary resolution at a meeting of holders of the HBT units duly convened and held in accordance with the provisions of the HBT Trust Deed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL (CONT'D)

(ii) H-REIT Manager's fees

Pursuant to Clauses 14.1, 14.2 and 14.7 of the H-REIT Trust Deed, the H-REIT Manager is entitled to the following:

- Management fees comprising a base fee of 0.25% per annum of the value of H-REIT's Deposited Property (as defined in the H-REIT Trust Deed) and a performance fee of 5.0% per annum of H-REIT's Net Property Income (as defined in the H-REIT Trust Deed).

  The H-REIT Manager's management fees are payable in the form of Stapled Securities and/or cash as the H-REIT Manager may elect (such election to be irrevocable and made prior to the relevant calendar quarter), and in such proportion as may be determined by the H-REIT Manager, such determination to be irrevocable and made prior to the relevant calendar quarter. Where the management fees are payable in the form of Stapled Securities or (in the event that unstapling of the H-REIT units and HBT units has taken place) H-REIT units, such Stapled Securities or H-REIT units shall be issued at the Market Price (as defined in the H-REIT Trust Deed) prevailing at the date the management fees accrue.

  For the years ended 31 December 2024 and 31 December 2023, 80% of the H-REIT Manager's management fees was satisfied in Stapled Securities and the remaining 20% was satisfied in cash.

  Any increase in the maximum permitted rate or any change in the structure of the H-REIT Manager's management fees must be approved by an extraordinary resolution at a meeting of holders of the H-REIT units duly convened and held in accordance with the provisions of the H-REIT Trust Deed.

  The portion of the base management fee payable in the form of Stapled Securities is paid on a quarterly basis, in arrears. The portion of the base management fee payable in the form of cash is paid on a monthly basis, in arrears. Performance fee is paid on an annual basis in arrears, regardless of whether it is paid in the form of Stapled Securities or in cash.

- Acquisition fee of 1% (0.75% for acquisitions from related parties as defined in the H-REIT Trust Deed) of the acquisition price and a divestment fee of 0.5% of the sale price on all future acquisitions or disposals of properties. Both the acquisition fee and divestment fee are payable in the form of Stapled Securities and/or cash as the H-REIT Manager may elect, and in such proportion as may be determined by the H-REIT Manager. In the event that the H-REIT Manager receives an acquisition fee in connection with a transaction with a related party, any such acquisition fee shall be paid in the form of Stapled Securities issued at the market price.

- Development management fee of 3% of the Total Project Costs (as defined in the H-REIT Trust Deed) incurred in a Development Project (as defined in the H-REIT Trust Deed) undertaken on behalf of the H-REIT Group. If the estimated Total Project Costs exceeds $200.0 million, the H-REIT Manager's independent directors will first review and approve the quantum of the development management fee whereupon the H-REIT Manager may be directed by its independent directors to reduce the development management fee.

  The development management fee is payable in equal monthly instalments in cash over the construction period of each Development Project based on the H-REIT Manager's best estimate of the Total Project Costs and construction period and, if necessary, a final payment of the balance amount to be paid to the H-REIT Manager or (as the case may be) paid by the H-REIT Manager when the Total Project Costs is finalised. No acquisition fee shall be paid when the H-REIT Manager receives the development management fee for a Development Project.

  Any increase in the percentage or any change in the structure of the H-REIT Manager's development management fee must be approved by an extraordinary resolution at a meeting of holders of the H-REIT units duly convened and held in accordance with the provisions of the H-REIT Trust Deed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL (CONT'D)

(iii) H-REIT Trustee's fee

Pursuant to the H-REIT Trust Deed, the H-REIT Trustee's fee shall not exceed 0.1% per annum of the value of H-REIT's Deposited Property (subject to a minimum of $10,000 per month) or such higher percentage as may be fixed by an extraordinary resolution of a meeting of holders of the H-REIT units. The H-REIT Trustee's fee is payable out of H-REIT's Deposited Property on a monthly basis, in arrears. The H-REIT Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the H-REIT Trust Deed.

Based on the current agreement between the H-REIT Manager and the H-REIT Trustee, the H-REIT Trustee's fee is charged on a scaled basis of up to 0.02% per annum of the value of H-REIT's Deposited Property (subject to a minimum of $10,000 per month).

2 BASIS OF PREPARATION

2.1 Statement of compliance

The consolidated financial statements of the HBT Group have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**"), the applicable requirements of the Business Trusts Act 2004 of Singapore and the provisions of the HBT Trust Deed.

The consolidated 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**") and the provisions of the H-REIT Trust Deed and the Stapling Deed. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of the Singapore Financial Reporting Standards ("**FRS**").

2.2 Going concern

The consolidated financial statements of the HBT Group have been prepared on a going concern basis. Even though there is a deficiency in unitholders' funds of $8.0 million as at 31 December 2024, after having considered the cash liquidity of the HBT Group and the financial support given by H-REIT to HBT, the HBT Group is expected to have sufficient funds to discharge its obligations as and when they fall due.

2.3 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except as described below.

2.4 Functional and presentation currency

The consolidated 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.

2.5 Use of estimates and judgements

The preparation of consolidated 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 BASIS OF PREPARATION (CONT'D)

2.5 Use of estimates and judgements (cont'd)

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 4 – Valuation of investment properties
- Note 5 – Valuation of investment property under development
- Note 6 – 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 property valuations or 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 year during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 4 – Valuation of investment properties
- Note 5 – Valuation of investment property under development
- Note 6 – Valuation of property, plant and equipment
- Note 25 – Valuation of financial instruments

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 BASIS OF PREPARATION (CONT'D)

2.6 Change in material accounting policies

New amendments to accounting standards

The Stapled Group has applied the following amendments to FRSs/SFRS(I)s for the first time for the annual period beginning on 1 January 2024:

- Amendments to FRS 1/SFRS(I) 1-1: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
- Amendments to FRS 116/SFRS(I) 16: Lease Liability in a Sale and Leaseback
- Amendments to FRS 7/SFRS(I) 1-7 and FRS 107/SFRS(I) 7: Supplier Finance Arrangements

The application of these amendments to standards did not have a material effect on the financial statements.

3 MATERIAL ACCOUNTING POLICIES

The material accounting policies set out below have been consistently applied by the HBT Group, the H-REIT Group and the Stapled Group to all periods presented in these consolidated financial statements.

3.1 Consolidation

(i) Stapling

Where entities enter into a stapling arrangement, the stapling arrangement is accounted for as a business combination under the acquisition method.

(ii) Business combinations

The Stapled Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Stapled Group. In determining whether a particular set of activities and assets is a business, the Stapled Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Stapled Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Stapled Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest ("**NCI**") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree, over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss or the statements of total return (as the case may be).

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by FRS/SFRS(I).

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Stapled Group incurs in connection with a business combination are expensed as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.1 Consolidation (cont'd)

(iii) Subsidiaries

Subsidiaries are entities controlled by either the HBT Group or the H-REIT Group. The HBT Group and the H-REIT Group control an entity when they are exposed to or has rights to, variable returns from their involvement with the entity and have the ability to affect those returns through their power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies of the HBT Group, the H-REIT Group and the Stapled Group, where appropriate. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements of the HBT Group, the H-REIT Group and the Stapled Group.

3.2 Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the entities in the HBT Group, the H-REIT Group and the Stapled Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss or the statements of total return (as the case may be). However, for foreign currency differences arising on the translation of a financial liability designated as a hedge of the HBT Group's, the H-REIT Group's and the Stapled Group's net investment in a foreign operation to the extent that the hedge is effective are recognised in other comprehensive income ("**OCI**") or unitholders' funds (as the case may be) directly.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised directly in OCI or unitholders' funds (as the case may be). However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to profit or loss or the statements of total return (as the case may be) as part of the gain or loss on disposal. When only part of the interest in a subsidiary that includes a foreign operation is disposed of while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised directly in the foreign currency translation reserve in OCI or unitholders' funds (as the case may be).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.2 Foreign currencies (cont'd)

(iii) Hedge of net investment in foreign operation

The HBT Group, the H-REIT Group and the Stapled Group apply hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the HBT Group, the H-REIT Group and the Stapled Group's functional currency (Singapore dollars), regardless of whether the net investment is held directly or through an intermediate parent.

Foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised directly in foreign currency translation reserve in unitholders' funds to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in profit or loss or the statements of total return (as the case may be). When the hedged net investment is disposed of, the relevant amount in the foreign currency translation reserve is transferred to profit or loss or the statements of total return (as the case may be) as part of the profit or loss on disposal.

3.3 Property, plant and equipment

(i) Recognition and measurement

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent to recognition, freehold land, leasehold land and buildings are measured at fair value less accumulated depreciation and accumulated impairment losses while other assets are measured at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any surplus arising on the revaluation is recognised in OCI or unitholders' funds (as the case may be), except to the extent that the surplus reverses a previous revaluation deficit on the same asset recognised in profit or loss or the statements of total return (as the case may be), in which case the credit to that extent is recognised in profit or loss or the statements of total return (as the case may be). Any deficit on revaluation is recognised in profit or loss or the statements of total return (as the case may be) except to the extent that it reverses a previous revaluation surplus on the same asset, in which case the debit to that extent is recognised in OCI or unitholders' funds (as the case may be).

When an item of property, plant and equipment is sold or retired, its cost and accumulated depreciation are removed from the statements of financial position. The gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss or the statements of total return (as the case may be). The revaluation surplus included in equity or unitholders' funds (as the case may be) in respect of an item of property, plant and equipment measured using revaluation model, is transferred directly to accumulated profits/losses or unitholders' funds (as the case may be).

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Stapled Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss or the statements of total return (as the case may be) as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Property, plant and equipment (cont'd)

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss or the statements of total return (as the case may be) on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Stapled Group will obtain ownership by the end of the lease term. Freehold land and capital work-in-progress are not depreciated.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative years are as follows:

● Leasehold land	Remaining useful lives of land leases of 80 years to 123 years (2023: 81 years to 124 years)
● Buildings	31 years to 50 years
● Plant and machinery	10 years to 12 years
● Furniture and fixtures	7 years
● Motor vehicles and boats	5 years
● Office equipment	5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

3.4 Investment properties and investment property under development

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property under development is property being constructed or developed for future use as investment property. Investment properties and investment property under development are measured at cost on initial recognition and subsequently at fair value with any changes therein recognised in profit or loss or the statements of total return (as the case may be).

The cost of a purchased property comprises its purchase price and any directly attributable expenditure including transaction costs. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. Fair value is determined in accordance with the HBT Trust Deed and the H-REIT Trust Deed which requires the investment properties and investment property under development to be valued by independent registered valuers in the following events:

- at least once a year in accordance with the Property Funds Appendix of CIS Code issued by MAS; and
- where the HBT Trustee-Manager and the H-REIT Manager propose to issue new units for subscription or to redeem existing units unless the investment properties have been valued not more than 6 months ago.

When an investment property is disposed of, the resulting gain or loss recognised in profit or loss or the statements of total return (as the case may be) is the difference between net disposal proceeds and the carrying amount of the property.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.4 Investment properties and investment property under development (cont'd)

Properties are classified either as investment properties or property, plant and equipment in the statements of financial position. In assessing whether a property is classified as an investment property or property, plant and equipment, the Stapled Group takes into consideration several factors including, but not limited to, the business model, the extent of ancillary services provided, the power that the Stapled Group has to make significant operating and financing decisions regarding the operations of the property and the significance of its exposure to variations in the net cash flows of the property. The factors above are considered collectively, together with the facts and circumstances of each lease, in determining the classification of a property.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

3.5 Leases

At inception of a contract, the Stapled Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Stapled Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Stapled Group has elected not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.

The Stapled Group recognises a right-of-use ("**ROU**") asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The subsequent measurement of the ROU asset will depend on whether it is presented in investment properties or property, plant and equipment. The accounting policies for investment properties and property, plant and equipment are set out in Note 3.4 and Note 3.3 respectively.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate as the discount rate.

The Stapled Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substances fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- lease payments in an optional renewal period if the Stapled Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Stapled Group changes its assessment of whether it will exercise an extension option.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Leases (cont'd)

(i) As a lessee (cont'd)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

The Stapled Group presents ROU assets that do not meet the definition of investment properties in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statements of financial position.

Short-term leases and leases of low value assets

The Stapled Group has elected not to recognise ROU assets and lease liabilities for leases of low-value assets and short-term leases. The Stapled Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Stapled Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Stapled Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Stapled Group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Stapled Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Stapled Group is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset.

If an arrangement contains lease and non-lease components, then the Stapled Group applies FRS 115/SFRS(I) 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract.

The Stapled Group applies the derecognition and impairment requirements in FRS 109/SFRS(I) 9 *Financial Instruments* to the net investment in the lease (see Note 3.7(i)).

The Stapled Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

3.6 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Stapled Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss ("**FVTPL**"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("**FVOCI**") – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Stapled Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. On initial recognition, the Stapled Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Stapled Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Stapled Group's continuing recognition of the assets.

The Stapled Group has financial assets that have a held-to-collect business model. The objective of the business model is to collect the amounts due from the Stapled Group's receivables and where applicable to earn contractual interest income on the amounts collected.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Stapled Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Stapled Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Stapled Group's claim to cash flows from specified assets (e.g. non-recourse features).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (cont'd)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss or the statements of total return (as the case may be). Any gain or loss on derecognition is recognised in profit or loss or the statements of total return (as the case may be).

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss or the statements of total return (as the case may be).

Non-derivative financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss or the statements of total return (as the case may be). Directly attributable transaction costs are recognised in profit or loss or the statements of total return (as the case may be) as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss or the statements of total return (as the case may be).

(iii) Derecognition

Financial assets

The Stapled Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Stapled Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Stapled Group enters into transactions whereby it transfers assets recognised in its statements of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(iii) Derecognition (cont'd)

Financial liabilities

The Stapled Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Stapled Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss or the statements of total return (as the case may be).

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Stapled Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and fixed deposits that are subject to an insignificant risk of changes in their fair values, and are used by the Stapled Group in the management of its short-term commitments. For the purpose of the statements of cash flows, restricted cash is excluded.

(vi) Derivative financial instruments and hedge accounting

The Stapled Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss or the statements of total return (as the case may be) as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss or the statements of total return (as the case may be).

The Stapled Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Stapled Group documents the risk management objective and strategy for undertaking the hedge. The Stapled Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Net investment hedges

The Stapled Group designates certain non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of foreign exchange gains and losses for a non-derivative financial liability is recognised in OCI or unitholders' funds (as the case may be) and presented in the translation reserve within unitholders' funds. Any ineffective portion of foreign exchange gains and losses on the non-derivative financial liability is recognised immediately in profit or loss or the statements of total return (as the case may be). The amount recognised in the foreign currency translation reserve is fully or partially reclassified to profit or loss or the statements of total return (as the case may be) as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(vi) Derivative financial instruments and hedge accounting (cont'd)

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in profit or loss or the statements of total return (as the case may be).

3.7 Impairment

(i) Non-derivative financial assets

The Stapled Group recognises loss allowances for expected credit loss ("**ECL**") on financial assets measured at amortised cost ('cash and cash equivalents' and 'trade and other receivables') and lease receivables.

Loss allowances of the Stapled Group are measured on either of the following bases:

- 12-month ECL: these are ECL that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECL: these are ECL that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Stapled Group applies the simplified approach to provide for ECL for all trade receivables (including lease receivables). The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECL.

General approach

The Stapled Group applies the general approach to provide for ECL on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECL at initial recognition.

At each reporting date, the Stapled Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Stapled Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Stapled Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECL.

The Stapled Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Stapled Group in full, without recourse by the Stapled Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECL is the maximum contractual period over which the Stapled Group is exposed to credit risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Stapled Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Stapled Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Stapled Group on terms that the Stapled Group would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statements of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Stapled Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Stapled Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Stapled Group's non-financial assets, other than investment properties, investment property under development, deferred tax assets and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash generating unit ("**CGU**") exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(ii) Non-financial assets (cont'd)

Impairment losses are recognised in profit or loss or the statements of total return (as the case may be). Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (groups of CGUs), and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.8 Unitholders' funds

Unitholders' funds of the Stapled Group comprise unitholders' funds of the HBT Group and the H-REIT Group. Unitholders' funds are classified as equity.

Issue expenses relate to expenses incurred in connection with the issue of Stapled Securities. The expenses are deducted directly against the unitholders' funds.

3.9 Revenue

(i) Rental income from operating leases

Rental income receivable under operating leases is recognised in the profit or loss or the statements of total return (as the case may be) on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income to be received. Variable rentals are recognised as income in the accounting period in which they are earned and the amount can be measured reliably.

(ii) Hotel revenue

Revenue from hotel and resort operations comprises mainly room, food and beverage and other hotel related services income. Room revenue is recognised when performance obligations are satisfied over the period of stay. Food and beverage revenue and other hotel related services are recognised at a point in time when performance obligations are satisfied by rendering the relevant goods and services to the customers.

3.10 Finance income and finance costs

Finance income comprises interest income on funds invested, finance lease receivables and loan to related entity, net foreign exchange gains and gains on hedging instruments that are recognised in profit or loss or the statements of total return (as the case may be). Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprises interest expense on loans and borrowings, lease liabilities and loan from related entity, amortisation of transaction costs on loans and borrowings, unwinding of the discount on non-current rental deposits, net foreign exchange losses and losses on hedging instruments that are recognised in profit or loss or the statements of total return (as the case may be). Interest expenses are recognised as they accrue, using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss or the statements of total return (as the case may be) except to the extent that it relates to a business combination, or items recognised directly in OCI or unitholders' funds (as the case may be).

The Stapled Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37/SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflect uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that at the time of the transaction (i) affects neither accounting nor taxable profit or loss; and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries to the extent that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Stapled Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Stapled Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Stapled Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Stapled Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Tax (cont'd)

H-REIT received a tax ruling from the Inland Revenue Authority of Singapore ("**IRAS**") and subject to meeting the terms and conditions of the tax ruling, which includes a distribution of at least 90% of the taxable income of H-REIT, H-REIT will not be taxed on the portion of taxable income of H-REIT that is distributed to holders of H-REIT units. Any portion of the taxable income that is not distributed to holders of H-REIT units will be taxed in the hands of the H-REIT Trustee. In the event that there are subsequent adjustments to the taxable income when the actual taxable income of H-REIT is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the taxable income for the next distribution following the agreement with the IRAS.

Although H-REIT is not taxed on its taxable income distributed, the H-REIT Trustee and the H-REIT Manager are required to deduct income tax at the applicable corporate tax rate from distributions of such taxable income of H-REIT (i.e. which has not been taxed in the hands of the H-REIT Trustee) to certain holders of H-REIT units. The H-REIT Trustee and the H-REIT Manager will not deduct tax from distributions made out of H-REIT's taxable income to the extent that the beneficial holder of H-REIT units is:

- An individual;
- A company incorporated and tax resident in Singapore;
- A branch in Singapore of a company incorporated outside Singapore;
- A body of persons incorporated or registered in Singapore, including:
  - (i) a charity registered under the Charities Act 1994 or established by any written law;
  - (ii) a town council;
  - (iii) a statutory board;
  - (iv) a co-operative society registered under the Co-operative Societies Act 1979;
  - (v) a platform work association registered under Part 3 of the Platform Workers Act 2024;
  - (vi) a trade union registered under the Trade Unions Act 1940;
- An international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act 1948; and
- A trustee of an approved real estate investment trust exchange-traded fund.

The above tax transparency ruling does not apply to gains from sale of real properties. Such gains which are considered as trading gains are assessable to tax in the hands of the H-REIT Trustee. H-REIT will not be assessed to tax on capital gains and may distribute the capital gains without tax being deducted at source.

3.12 Earnings per Stapled Security

The Stapled Group presents basic and diluted earnings per Stapled Security. Basic earnings per Stapled Security is calculated by dividing the total return attributable to Stapled Security Holders by the weighted average number of Stapled Securities outstanding during the year. Diluted earnings per Stapled Security is determined by adjusting the total return attributable to Stapled Security Holders and the weighted average number of Stapled Securities outstanding, adjusted for the effects of all dilutive potential Stapled Securities.

3.13 Segment reporting

An operating segment is a component of the HBT Group, the H-REIT Group and the Stapled Group that engages in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components of the HBT Group, the H-REIT Group and the Stapled Group. All operating segments' operating results are reviewed regularly by the HBT Board or the H-REIT Board (the "**Boards**") to make decisions about resources to be allocated to the segment and assess its performance, and is a component for which discrete financial information is available.

Segment results that are reported to the Boards include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly management fee, finance income, finance costs and other expenses.

Segment capital expenditure is the total cost incurred on investment properties, investment property under development and property, plant and equipment during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.14 New accounting standards and amendments to standards not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, the Stapled Group has not early adopted the new or amended accounting standards in preparing these consolidated financial statements.

Effective for annual periods beginning on 1 January 2025

- Amendments to FRS 21/SFRS(I) 1-21: Lack of Exchangeability

Effective for annual periods beginning on 1 January 2026

- Amendments to FRS 109/SFRS(I) 9 and FRS 107/SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments
- Annual Improvements to FRSs/SFRS(I)s-Volume 11
- Amendments to FRS 109/SFRS(I) 9 and FRS 107/SFRS(I) 7: Contracts Referencing Nature-dependent Electricity

Effective for annual period beginning on 1 January 2027

- FRS 118/SFRS(I) 18: *Presentation and Disclosure in Financial Statements*
- FRS 119/SFRS(I) 19: *Subsidiaries without Public Accountability: Disclosures*

The Stapled Group is in the process of assessing the potential impact of the amendments to accounting standards on its consolidated financial statements.

4 INVESTMENT PROPERTIES

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 January	–	–	2,750,215	2,631,976	2,232,899	2,104,672
Acquisition of property, including acquisition costs (Note 29)	7,224	–	69,607	–	76,831	–
Capital expenditure	987	–	37,778	32,363	24,299	23,226
Reclassification from investment property under development [1]	155,942	–	–	–	155,054	–
Fair value changes (unrealised)	(574)	–	(9,738)	80,787	5,771	98,343
Straight-line rental adjustments	–	–	1	3,427	860	3,361
Adjustment to right-of-use assets	–	–	1,723	1,770	1,723	1,770
Translation differences	(149)	–	(20,735)	(108)	(18,641)	1,527
At 31 December	163,430	–	2,828,851	2,750,215	2,478,796	2,232,899

[1] The practical completion of the residential development work has been achieved on 4 June 2024 and is known as the "The Castings". It was thereafter reclassified from investment property under development (Note 5).

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 31 December 2024, an investment property of the H-REIT Group and the Stapled Group with a carrying amount of $147.7 million (2023: $152.9 million) is pledged as security to secure a bank loan (Note 10).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 INVESTMENT PROPERTIES (CONT'D)

Measurement of fair value

The carrying amounts of the investment properties were based on independent valuations undertaken by the following independent valuers:

Country	2024	2023
Singapore	Knight Frank Pte Ltd	Knight Frank Pte Ltd
Australia	CBRE Valuations Pty Limited	CBRE Valuations Pty Limited
New Zealand	CBRE Limited	CBRE Limited
Maldives	Colliers International Consultancy & Valuation (Singapore) Pte Ltd	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
United Kingdom	Colliers International Consultancy & Valuation (Singapore) Pte Ltd CBRE Limited Knight Frank LLP	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
Germany	Colliers International Property Consultants Limited	Colliers International Property Consultants Limited
Italy	C&W (U.K.) LLP (Italian Branch)	C&W (U.K.) LLP (Italian Branch)

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, capitalisation, residual land value, comparative and investment 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 have 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 2.5).

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Fair value of investment properties (based on valuation reports)	163,430	–	2,710,455	2,634,477	2,424,369	2,181,036
Add: Carrying amount of lease liabilities	–	–	118,396	115,738	54,427	51,863
Carrying amount of investment properties	163,430	–	2,828,851	2,750,215	2,478,796	2,232,899

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 INVESTMENT PROPERTIES (CONT'D)

Measurement of fair value (cont'd)

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

Country	Valuation techniques	Significant unobservable inputs	2024	2023
Singapore	Discounted cash flow and capitalisation methods	Hotel		
		Discount rate	6.00% - 7.50%	6.00% - 7.50%
		Terminal yield	3.50% - 5.00%	3.75% - 5.00%
		Capitalisation rate	3.25% - 4.75%	3.50% - 4.75%
		Retail		
		Discount rate	7.00%	7.00%
		Terminal yield	5.00%	5.00%
		Capitalisation rate	4.75%	4.75%
Australia	Discounted cash flow and capitalisation methods	Discount rate	8.50% - 8.75%	8.25%
		Terminal yield	6.75% - 7.00%	6.50%
		Capitalisation rate	6.25% - 6.50%	6.25%
New Zealand	Discounted cash flow and capitalisation methods	Discount rate	9.25%	9.50%
		Terminal yield	7.00%	7.50%
		Capitalisation rate	6.75%	7.25%
Maldives	Discounted cash flow method	Discount rate	11.00% - 11.75%	11.00% - 11.75%
		Terminal yield	8.90% - 9.65%	9.00% - 9.75%
United Kingdom	Discounted cash flow, capitalisation, residual land value, comparative and investment methods	Hotel		
		Discount rate	9.10%	9.00%
		Terminal yield	7.10%	7.00%
		Residential and Car Park		
		Capitalisation rate	4.70% - 5.75%	N.A.
		Retail		
		Capitalisation rate	8.50% - 9.00%	N.A.
Germany	Discounted cash flow and capitalisation methods	Hotel		
		Discount rate	8.00%	7.75%
		Terminal yield	6.00%	5.75%
		Retail		
		Capitalisation rate	6.73%	6.55%
Italy	Discounted cash flow method	Discount rate	7.55%	7.50%
		Terminal yield	5.65%	5.50%

N.A. – Not applicable

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 INVESTMENT PROPERTIES (CONT'D)

Measurement of fair value (cont'd)

Inter-relationship between key unobservable inputs and fair value measurement

The significant unobservable inputs used in the fair value measurement of investment properties are discount rate, terminal yield and capitalisation rate. An increase in discount rate, terminal yield and capitalisation rate in isolation would result in a lower fair value.

5 INVESTMENT PROPERTY UNDER DEVELOPMENT

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 January	131,423	59,660	–	–	131,423	59,660
Development costs and interest capitalised	22,760 [1,4]	62,491 [1]	–	–	21,872 [2,4]	60,597 [2]
Fair value changes (unrealised)	–	6,735	–	–	–	8,629
Reclassification to investment properties [3]	(155,942)	–	–		(155,054)	–
Translation differences	1,759	2,537	–	–	1,759	2,537
At 31 December	–	131,423	–	–	–	131,423

(1) Included capitalised interest cost of $1,919,000 (2023: $3,741,000)
(2) Included capitalised interest cost of $1,031,000 (2023: $1,847,000)
(3) The practical completion of the residential development work has been achieved on 4 June 2024 and is known as the "The Castings". It was subsequently reclassified to investment properties (Note 4).
(4) Included acquisition fee paid to the HBT Trustee-Manager of $1,289,000 in cash.

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 financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 INVESTMENT PROPERTY UNDER DEVELOPMENT (CONT'D)

Measurement of fair value (cont'd)

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 2.5).

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property under development, as well as the significant unobservable inputs used.

Country	Valuation technique	Significant unobservable inputs	2024	2023
United Kingdom	Comparative and investment methods	Residential and Car Park		
		Capitalisation rate	N.A.	4.70%
		Retail		
		Capitalisation rate	N.A.	9.00%

N.A. – Not applicable

Inter-relationship between key unobservable inputs and fair value measurement

The significant unobservable inputs used in the fair value measurement of investment property under development is capitalisation rate. An increase in capitalisation rate in isolation would result in a lower fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT

	At valuation			At cost					
	Freehold land	Leasehold land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipment	Capital work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
HBT Group									
At valuation/cost									
At 1 January 2023	–	97,438	166,542	4,247	–	38,068	997	569	307,861
Additions	–	–	–	1,076	–	2,095	5	62	3,238
Transfers	–	–	–	–	–	142	–	(142)	–
Write-off	–	–	–	–	–	–	–	(410)	(410)
Addition of right-of-use assets	–	–	–	–	126	–	–	–	126
Adjustment to right-of-use assets	–	–	3	–	–	–	–	–	3
Translation differences	–	1,764	2,697	151	–	1,290	32	15	5,949
Reversal of revaluation deficit recognised in profit or loss	–	1,907	1,251	–	–	–	–	–	3,158
Revaluation surplus recognised in OCI	–	3,089	6,162	–	–	–	–	–	9,251
Elimination of accumulated depreciation on revaluation	–	(3,502)	(9,041)	–	–	–	–	–	(12,543)
At 31 December 2023	–	100,696	167,614	5,474	126	41,595	1,034	94	316,633
At 1 January 2024	–	100,696	167,614	5,474	126	41,595	1,034	94	316,633
Acquisition (Note 29)	2,582	–	24,095	–	–	3,966	–	–	30,643
Additions	–	–	–	611	–	1,112	15	187	1,925
Write-off	–	–	–	–	(84)	–	–	–	(84)
Adjustment to right-of-use assets	–	–	1,445	–	(42)	–	–	–	1,403
Translation differences	(28)	1,626	(653)	69	–	495	14	1	1,524
Reversal of revaluation deficit/(Revaluation deficit) recognised in profit or loss	–	2,250	(431)	–	–	–	–	–	1,819
Revaluation surplus recognised in OCI	–	2,918	2,000	–	–	–	–	–	4,918
Elimination of accumulated depreciation on revaluation	–	(3,557)	(8,799)	–	–	–	–	–	(12,356)
At 31 December 2024	2,554	103,933	185,271	6,154	–	47,168	1,063	282	346,425

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation			At cost					
	Freehold land	Leasehold land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipment	Capital work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
HBT Group (cont'd)									
Accumulated depreciation									
At 1 January 2023	–	–	–	2,306	–	20,308	831	–	23,445
Depreciation	–	3,502	9,041	504	42	3,297	85	–	16,471
Translation differences	–	–	–	81	–	707	28	–	816
Elimination of accumulated depreciation on revaluation	–	(3,502)	(9,041)	–	–	–	–	–	(12,543)
At 31 December 2023	–	–	–	2,891	42	24,312	944	–	28,189
At 1 January 2024	–	–	–	2,891	42	24,312	944	–	28,189
Depreciation	–	3,557	8,799	552	42	3,428	50	–	16,428
Write-off	–	–	–	–	(84)	–	–	–	(84)
Translation differences	–	–	–	36	–	306	12	–	354
Elimination of accumulated depreciation on revaluation	–	(3,557)	(8,799)	–	–	–	–	–	(12,356)
At 31 December 2024	–	–	–	3,479	–	28,046	1,006	–	32,531
Carrying amounts									
At 31 December 2023	–	100,696	167,614	2,583	84	17,283	90	94	288,444
At 31 December 2024	2,554	103,933	185,271	2,675	–	19,122	57	282	313,894

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation		At cost			
	Freehold land	Buildings	Plant and machinery	Motor vehicles and boats	Furniture and fixtures	Total
	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group						
At valuation/cost						
At 1 January 2023	45,180	20,222	5,536	1,661	754	73,353
Additions	–	–	13	1,350	258	1,621
Translation differences	(3,883)	(1,717)	(449)	(46)	(69)	(6,164)
Revaluation surplus recognised in unitholders' funds	7,132	3,275	–	–	–	10,407
Elimination of accumulated depreciation on revaluation	–	(745)	–	–	–	(745)
At 31 December 2023	48,429	21,035	5,100	2,965	943	78,472
At 1 January 2024	48,429	21,035	5,100	2,965	943	78,472
Additions	–	–	12	604	–	616
Translation differences	(3,743)	(1,577)	(367)	89	(68)	(5,666)
Revaluation surplus recognised in unitholders' funds	13,134	3,995	–	–	–	17,129
Elimination of accumulated depreciation on revaluation	–	(797)	–	–	–	(797)
At 31 December 2024	57,820	22,656	4,745	3,658	875	89,754
Accumulated depreciation						
At 1 January 2023	–	–	4,276	1,261	417	5,954
Depreciation	–	745	515	504	113	1,877
Translation differences	–	–	(363)	(27)	(38)	(428)
Elimination of accumulated depreciation on revaluation	–	(745)	–	–	–	(745)
At 31 December 2023	–	–	4,428	1,738	492	6,658
At 1 January 2024	–	–	4,428	1,738	492	6,658
Depreciation	–	797	473	414	120	1,804
Translation differences	–	–	(329)	53	(37)	(313)
Elimination of accumulated depreciation on revaluation	–	(797)	–	–	–	(797)
At 31 December 2024	–	–	4,572	2,205	575	7,352
Carrying amounts						
At 31 December 2023	48,429	21,035	672	1,227	451	71,814
At 31 December 2024	57,820	22,656	173	1,453	300	82,402

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation			At cost					
	Freehold land	Leasehold land	Buildings	Plant and machinery	Furniture and fixtures	Motor vehicles and boats	Office equipment	Capital work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group									
At valuation/cost									
At 1 January 2023	67,303	324,326	344,581	33,741	51,049	1,996	6,185	1,228	830,409
Additions	–	–	953	1,581	2,942	1,015	1,002	6,555	14,048
Disposal	–	–	–	–	–	–	(50)	–	(50)
Write-off	–	–	–	–	–	–	–	(410)	(410)
Transfers	–	–	–	17	303	–	14	(334)	–
Addition of right-of-use assets	–	–	–	–	–	126	–	–	126
Adjustment to right-of-use assets	–	–	3	–	–	–	–	–	3
Revaluation surplus recognised in unitholders' funds	9,537	5,141	25,474	–	–	–	–	–	40,152
Reversal of revaluation deficit/(Revaluation deficit) recognised in statement of total return	–	5,259	(4,316)	–	–	–	–	–	943
Translation differences	(4,080)	1,883	140	(414)	1,172	(47)	(23)	14	(1,355)
Elimination of accumulated depreciation on revaluation	–	(3,869)	(8,928)	–	–	–	–	–	(12,797)
At 31 December 2023	72,760	332,740	357,907	34,925	55,466	3,090	7,128	7,053	871,069
At 1 January 2024	72,760	332,740	357,907	34,925	55,466	3,090	7,128	7,053	871,069
Acquisition (Note 29)	2,582	–	24,095	–	3,966	–	–	–	30,643
Additions	–	–	5,480	2,129	2,644	604	847	5,305	17,009
Write-off	–	–	–	–	–	(84)	–	–	(84)
Transfers	–	–	–	4,566	2,722	–	95	(7,383)	–
Adjustment to right-of-use assets	–	–	1,445	–	–	(42)	–	–	1,403
Revaluation surplus recognised in unitholders' funds	13,013	3,261	3,813	–	–	–	–	–	20,087
Reversal of revaluation deficit/(Revaluation deficit) recognised in statement of total return	88	(10,964)	2,187	–	–	–	–	–	(8,689)
Translation differences	(5,197)	1,510	(2,410)	(281)	406	89	77	–	(5,806)
Elimination of accumulated depreciation on revaluation	–	(4,001)	(8,801)	–	–	–	–	–	(12,802)
At 31 December 2024	83,246	322,546	383,716	41,339	65,204	3,657	8,147	4,975	912,830

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation			At cost					
	Freehold land	Leasehold land	Buildings	Plant and machinery	Furniture and fixtures	Motor vehicles and boats	Office equipment	Capital work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group (cont'd)									
Accumulated depreciation									
At 1 January 2023	–	–	–	15,131	26,339	1,500	4,189	–	47,159
Depreciation	–	3,869	8,928	3,444	4,627	308	755	–	21,931
Disposal	–	–	–	–	–	–	(50)	–	(50)
Write-off									
Translation differences	–	–	–	(357)	610	(28)	(10)	–	215
Elimination of accumulated depreciation on revaluation	–	(3,869)	(8,928)	–	–	–	–	–	(12,797)
At 31 December 2023	–	–	–	18,218	31,576	1,780	4,884	–	56,458
At 1 January 2024	–	–	–	18,218	31,576	1,780	4,884	–	56,458
Depreciation	–	4,001	8,801	3,235	5,084	455	1,000	–	22,576
Write-off	–	–	–	–	–	(84)	–	–	(84)
Translation differences	–	–	–	(216)	320	53	71	–	228
Elimination of accumulated depreciation on revaluation	–	(4,001)	(8,801)	–	–	–	–	–	(12,802)
At 31 December 2024	–	–	–	21,237	36,980	2,204	5,955	–	66,376
Carrying amounts									
At 31 December 2023	72,760	332,740	357,907	16,707	23,890	1,310	2,244	7,053	814,611
At 31 December 2024	83,246	322,546	383,716	20,102	28,224	1,453	2,192	4,975	846,454

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

For each revalued class of property, plant and equipment, the carrying amount that would have been recognised had the assets been carried under the cost model is as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Freehold land						
Cost	2,554	–	26,535	28,595	48,657	49,401
Accumulated impairment losses	–	–	–	–	–	(90)
Carrying value	2,554	–	26,535	28,595	48,657	49,311
Leasehold land						
Cost	127,035	124,845	–	–	367,127	365,430
Accumulated depreciation and impairment losses	(30,337)	(28,446)	–	–	(28,509)	(26,665)
Carrying value	96,698	96,399	–	–	338,618	338,765
Buildings						
Cost	213,366	189,290	20,888	22,506	423,347	393,343
Accumulated depreciation and impairment losses	(36,493)	(29,191)	(6,027)	(5,850)	(86,147)	(81,226)
Carrying value	176,873	160,099	14,861	16,656	337,200	312,117

Measurement of fair value

The carrying amounts of the properties were based on independent valuations undertaken by the following independent valuers:

Country	2024	2023
Singapore	Knight Frank Pte Ltd	Knight Frank Pte Ltd
Australia	CBRE Valuations Pty Limited	CBRE Valuations Pty Limited
Maldives	Colliers International Consultancy & Valuation (Singapore) Pte Ltd	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
Japan	Cushman & Wakefield K.K.	Cushman & Wakefield K.K.
United Kingdom	Colliers International Consultancy & Valuation (Singapore) Pte Ltd CBRE Limited	Colliers International Consultancy & Valuation (Singapore) Pte Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Measurement of fair value (cont'd)

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 the HBT Trustee-Manager have exercised their judgement and are satisfied that the valuation methods and estimates the 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 2.5).

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring the fair value of property, plant and equipment, as well as the significant unobservable inputs used.

Country	Valuation techniques	Significant unobservable inputs	2024	2023
Singapore	Discounted cash flow and capitalisation methods	Discount rate	6.00%	6.00%
		Terminal yield	3.75%	3.75%
		Capitalisation rate	3.50%	3.50%
Japan	Discounted cash flow and capitalisation methods	Discount rate	4.10% - 4.40%	4.10% - 4.40%
		Terminal yield	4.40% - 4.70%	4.40% - 4.70%
		Capitalisation rate	4.30% - 4.60%	4.30% - 4.60%
United Kingdom	Discounted cash flow method	Discount rate	9.00% - 10.00%	9.00% - 9.25%
		Terminal yield	7.00% - 8.00%	7.00% - 7.25%
Maldives	Discounted cash flow method	Discount rate	10.75%	10.75%
		Terminal yield	8.65%	8.75%
Australia	Discounted cash flow and capitalisation methods	Discount rate	8.50% - 8.75%	8.50%
		Terminal yield	6.75% - 7.00%	6.75%
		Capitalisation rate	6.50% - 6.75%	6.50%

Inter-relationship between key unobservable inputs and fair value measurement

The significant unobservable inputs used in the fair value measurement of properties are discount rate, terminal yield and capitalisation rate. An increase in discount rate, terminal yield and capitalisation rate in isolation would result in a lower fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 FINANCE LEASE RECEIVABLES

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Finance lease receivables:						
- related corporation	–	–	4,345	5,145	4,345	5,145
Non-current	–	–	3,435	4,345	3,435	4,345
Current	–	–	910	800	910	800
	–	–	4,345	5,145	4,345	5,145

Finance lease receivables relate to sub-lease of a property to a related corporation. There is no impairment loss arising from the receivables as the ECL is negligible.

8 TRADE AND OTHER RECEIVABLES

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Trade receivables:						
- related corporations	–	–	6,298	6,935	6,298	6,935
- related entities	–	–	33,340	28,645	–	–
- third parties	4,488	4,276	10,694	5,103	15,182	9,379
	4,488	4,276	50,332	40,683	21,480	16,314
Impairment loss	(146)	(106)	(17,761)	(9,887)	(239)	(199)
Net trade receivables	4,342	4,170	32,571	30,796	21,241	16,115
Other receivables:						
- related corporations	–	–	–	10	–	10
- related entities	13,478	16,465	229,488	152,593	–	–
- third parties	1,963	1,093	1,516	2,859	3,479	3,952
	15,441	17,558	231,004	155,462	3,479	3,962
Rental deposits	529	559	148	149	677	708
	20,312	22,287	263,723	186,407	25,397	20,785
Prepayments	4,266	1,947	2,312	5,391	6,578	7,338
	24,578	24,234	266,035	191,798	31,975	28,123
Non-current	529	529	222,745	145,801	677	677
Current	24,049	23,705	43,290	45,997	31,298	27,446
	24,578	24,234	266,035	191,798	31,975	28,123

Related corporations refer to related corporations of the H-REIT Manager and the HBT Trustee-Manager. Related entities refer to H-REIT and its subsidiaries or HBT and its subsidiaries (as the case may be).

The H-REIT Group's properties, except Claymore Connect and Benson Yard, are leased to 14 (2023: 14) master lessees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8 TRADE AND OTHER RECEIVABLES (CONT'D)

Other receivables from related corporations are unsecured, interest-free and repayable on demand.

Other receivables from related entities comprise mainly loans amounting to $222,596,000 (2023: $145,652,000) which are unsecured, bear interest at rates ranging from 3.74% to 6.12% (2023: 5.00% to 6.80%) per annum and repayable on 20 December 2034 (2023: repayment is neither planned nor likely to occur in foreseeable future). The remaining receivables from related entities are unsecured, interest free and repayable on demand.

The exposure of the HBT Group, the H-REIT Group and the Stapled Group to credit risk and impairment losses for trade and other receivables is disclosed in Note 25.

9 CASH AND CASH EQUIVALENTS

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Cash at bank and in hand	21,713	14,798	45,516	46,392	67,229	61,190
Fixed deposits with financial institutions	–	–	11,059	10,810	11,059	10,810
Cash and cash equivalents in the statements of financial position	21,713	14,798	56,575	57,202	78,288	72,000
Restricted cash	–	–	(2,054)	(2,017)	(2,054)	(2,017)
Cash and cash equivalents in the statements of cash flows	21,713	14,798	54,521	55,185	76,234	69,983

10 LOANS AND BORROWINGS

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
At amortised cost:						
Non-current						
Secured TMK bond	–	–	–	28,582	–	28,582
Secured bank loan	–	–	–	64,170	–	64,170
Unsecured bank loans	91,644	90,326	786,179	622,003	877,823	712,329
Lease liabilities	107,800	116,790	121,665	119,924	139,907	136,602
Loans from related entity	222,596	145,652	–	–	–	–
	422,040	352,768	907,844	834,679	1,017,730	941,683
Current						
Secured TMK bond	–	–	26,654	–	26,654	–
Secured bank loan	–	–	62,142	–	62,142	–
Unsecured bank loans	–	–	371,427	347,213	371,427	347,213
Lease liabilities	9,333	8,896	1,077	960	1,125	1,100
	9,333	8,896	461,300	348,173	461,348	348,313
	431,373	361,664	1,369,144	1,182,852	1,479,078	1,289,996

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Secured TMK bond

The TMK bond included in the H-REIT Group relates to a 5-year Japanese Yen denominated bond of $26.8 million (JPY3.1 billion) (2023: $28.8 million (JPY3.1 billion)) issued by H-REIT's indirectly-owned subsidiary, CDLHT Hanei Tokutei Mokuteki Kaisha. H-REIT's interest in its Japan hotels is held via a Tokutei Mokuteki Kaisha ("**TMK**") structure, and such TMK structure is required to issue a bond to fund the acquisition of assets.

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

Secured bank loan

The secured bank loan relates to a 7-year fixed term loan of $62.2 million (€44.0 million) (2023: $64.2 million (€44.0 million)) drawn down by H-REIT's indirectly-owned subsidiary, NKS Hospitality I B.V. ("**NKS**").

As at the reporting date, an investment property, Pullman Hotel Munich, with a carrying value of $147.7 million (€104.5 million) (2023: $152.9 million (€104.8 million)), and certain bank accounts in 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.

Unsecured bank loans

As at the end of the financial year, the Stapled Group has the following facilities and term loans:

Facilities partially drawn down or available for utilisation

(i) $350.0 million (2023: $450.0 million) committed bilateral multi-currency unsecured revolving credit facilities for a 3-year term. As at the reporting date, $228.8 million (2023: $236.4 million) has been drawn down under these facilities and $121.2 million (2023: $213.6 million) of the facilities remained unutilised.

(ii) $100.0 million (2023: Nil) uncommitted multi-currency unsecured revolving credit facility. As at the reporting date, $68.3 million (2023: Nil) has been drawn down under this facility and $31.7 million (2023: Nil) of the facility remained unutilised.

(iii) $400.0 million (2023: $400.0 million) uncommitted multi-currency unsecured bridge loan facilities, with a maximum repayment period of one year. As at the reporting date, $105.2 million (2023: Nil) has been drawn down under these floating rate facilities (of which $20.0 million has been swapped to fixed rate with interest rate swaps (Note11)) and $294.8 million (2023: $400.0 million) of the facilities remained unutilised.

(iv) In 2023, $101.2 million (£60.2 million) committed unsecured term loan, with a maximum repayment period of three years. A total of $78.5 million (£46.7 million), swapped to fixed rate with interest rate swaps (Note 11), was drawn down under this facility and $22.7 million (£13.5 million) of the facility was not utilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Unsecured bank loans (cont'd)

Term loans fully drawn down

(i) $273.6 million floating rate (2023: $203.6 million floating rate and $70.0 million fixed rate) term loans (swap $60.0 million (2023: $60.0 million) to fixed rate with interest rate swaps (Note 11));

(ii) $90.2 million (2023: $90.2 million) floating rate term loan (swap to fixed rate with a cross-currency interest rate swap (Note 11));

(iii) $88.0 million floating rate term loan (2023: $86.0 million (US$65.0 million) floating rate term loan (swap to fixed rate with an interest rate swap (Note 11)));

(iv) $50.3 million (€35.6 million) floating rate term loan (2023: $52.9 million (US$40.0 million) floating rate term loan (swap to fixed rate with a cross-currency interest rate swap (Note 11)));

(v) $28.2 million (JPY3.3 billion) (2023: $30.4 million (JPY3.3 billion)) fixed rate term loan;

(vi) $177.0 million (£104.0 million) (2023: $174.8 million (£104.0 million)) floating rate term loans;

(vii) $41.0 million (£24.1 million) (2023: $40.5 million (£24.1 million)) floating rate term loan (swap to fixed rate with an interest rate swap (Note 11); and

(viii) $102.6 million (£60.2 million) floating rate term loan (swap to fixed rate with interest rate swaps (Note 11)) (2023: Nil).

Lease liabilities

The lease liabilities recognised mainly relate to operating leases in respect of ground leases for investment properties and property, plant and equipment.

Loans from related entity

As of 31 December 2024, the loans from related entity under the HBT Group is unsecured, bears interest at rates ranging from 3.74% to 6.12% per annum and is repayable on 20 December 2034. The loans from related entity includes interest payable of $13.3 million, and the related entity confirmed that it would not demand for interest repayment within 12 months of the next financial year.

As of 31 December 2023, the loans from related entity under the HBT Group is unsecured, bears interest at rates ranging from 5.00% to 6.80% per annum and is repayable on demand. The loans from related entity included interest payable of $5.7 million. The related entity confirmed that it would not demand for repayment within 12 months of the next financial year.

Unsecured medium term notes

H-REIT's wholly-owned subsidiary, CDLHT MTN Pte. Ltd., has in place a $1.0 billion (2023: $1.0 billion) Multi-currency Medium Term Note Programme. As at 31 December 2024 and 31 December 2023, there were no outstanding notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate %	Year of maturity	Face value $'000	Carrying amount $'000
As at 31 December 2024				
HBT Group				
Unsecured bank loan				
GBP	6.56	2026	91,930	91,644
Loans from related entity				
SGD	3.74 to 4.21	2034	39,746	39,746
GBP	3.74 to 6.12	2034	161,161	161,161
USD	5.54	2034	21,689	21,689
Lease liabilities				
SGD	1.79 to 4.83	2025 to 2040	46,667	37,159
USD	5.05	2033	36,685	29,559
GBP	3.99 to 4.04	2115 to 2147	78,864	18,253
AUD	2.45 to 2.74	2031	34,872	32,162
			511,614	431,373
H-REIT Group				
Secured TMK bond				
JPY	0.71	2025	26,753	26,654
Secured bank loan				
EUR	1.72	2025	62,150	62,142
Unsecured bank loans				
SGD	2.47 to 4.44	2025 to 2029	687,245	685,164
USD	5.54	2025	59,531	59,531
JPY	1.39	2025	28,220	28,188
GBP	2.42 to 5.94	2025 to 2029	264,638	263,286
EUR	3.46 to 4.22	2025 to 2029	121,698	121,437
Lease liabilities				
SGD	3.41 to 5.44	2028 to 2105	166,426	59,447
USD	4.84 to 4.88	2096 to 2105	87,910	23,557
GBP	3.00	2218	230,610	39,738
			1,735,181	1,369,144
Stapled Group				
Secured TMK bond				
JPY	0.71	2025	26,753	26,654
Secured bank loan				
EUR	1.72	2025	62,150	62,142
Unsecured bank loans				
SGD	2.47 to 4.44	2025 to 2029	687,245	685,164
USD	5.54	2025	59,531	59,531
JPY	1.39	2025	28,220	28,188
GBP	2.42 to 5.94	2025 to 2029	356,568	354,930
EUR	3.46 to 4.22	2025 to 2029	121,698	121,437
Lease liabilities				
SGD	1.79 to 5.44	2025 to 2105	166,464	59,485
USD	4.84 to 4.88	2096 to 2105	87,910	23,557
GBP	3.00 to 4.04	2115 to 2218	309,475	57,990
			1,906,014	1,479,078

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule (cont'd)

	Nominal interest rate %	Year of maturity	Face value $'000	Carrying amount $'000
As at 31 December 2023				
HBT Group				
Unsecured bank loan				
GBP	7.52	2026	90,752	90,326
Loans from related entity				
SGD	5.00	*	2,297	2,297
GBP	5.00 to 6.70	*	123,430	123,430
USD	6.80	*	19,925	19,925
Lease liabilities				
SGD	1.79 to 4.83	2025 to 2040	49,846	39,166
USD	5.05	2033	39,705	31,260
GBP	3.99 to 4.04	2115 to 2147	71,557	16,609
AUD	2.45 to 2.74	2031	42,483	38,651
			439,995	361,664
H-REIT Group				
Secured TMK bond				
JPY	0.71	2025	28,830	28,582
Secured bank loan				
EUR	1.72	2025	64,209	64,170
Unsecured bank loans				
SGD	2.33 to 5.01	2024 to 2028	510,000	507,999
USD	0.58 to 6.80	2024	196,493	196,154
JPY	1.39	2025	30,411	30,331
GBP	2.61 to 6.47	2024 to 2028	232,746	231,726
EUR	5.33	2024	3,006	3,006
Lease liabilities				
SGD	3.41 to 5.44	2028 to 2105	169,481	60,373
USD	4.84 to 4.88	2096 to 2105	86,775	22,977
GBP	3.00	2218	218,924	37,534
			1,540,875	1,182,852
Stapled Group				
Secured TMK bond				
JPY	0.71	2025	28,830	28,582
Secured bank loan				
EUR	1.72	2025	64,209	64,170
Unsecured bank loans				
SGD	2.33 to 5.01	2024 to 2028	510,000	507,999
USD	0.58 to 6.80	2024	196,493	196,154
JPY	1.39	2025	30,411	30,331
GBP	2.61 to 7.52	2024 to 2028	323,499	322,052
EUR	5.33	2024	3,006	3,006
Lease liabilities				
SGD	1.79 to 5.44	2025 to 2105	169,699	60,583
USD	5.42 to 5.75	2096 to 2105	86,775	22,977
GBP	3.00 to 4.04	2115 to 2218	290,480	54,142
			1,703,402	1,289,996

* The loans from related entity is repayable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	HBT Group			H-REIT Group			Stapled Group		
	Loans and borrowings	Lease liabilities	Interest payables	Loans and borrowings	Lease liabilities	Interest payables	Loans and borrowings	Lease liabilities	Interest payables
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 January 2024	235,978	125,686	1,028	1,061,968	120,884	3,907	1,152,294	137,702	4,935
Changes from financing cash flows									
Loans from related entity	67,317	–	–	–	–	–	–	–	–
Proceeds from bank loans	–	–	–	736,307	–	–	736,307	–	–
Repayment of bank loans	–	–	–	(550,445)	–	–	(550,445)	–	–
Payment of transaction costs related to borrowings	(6)	–	–	(2,273)	–	–	(2,279)	–	–
Payment of lease liabilities	–	(8,832)	–	–	(957)	–	–	(1,099)	–
Finance costs paid	–	(4,339)	(7,334)	–	(4,429)	(44,331)	–	(5,152)	(51,666)
Total changes from financing cash flows	67,311	(13,171)	(7,334)	183,589	(5,386)	(44,331)	183,583	(6,251)	(51,666)
Effect of changes in foreign exchange rates	3,347	(1,124)	(1)	(1,313)	1,092	(17)	(136)	1,303	(17)
Other changes									
Liability-related									
Remeasurement of lease liabilities	–	1,445	–	–	1,723	–	–	3,168	–
Derecognition of lease liabilities	–	(42)	–	–	–	–	–	(42)	–
Amortisation of transaction costs	147	–	–	2,158	–	–	2,305	–	–
Interest expense capitalised	1,919	–	–	–	–	–	–	–	1,031
Interest expense	5,538	4,339	6,736	–	4,429	43,334	–	5,152	49,039
Total liability-related other changes	7,604	5,742	6,736	2,158	6,152	43,334	2,305	8,278	50,070
Balance at 31 December 2024	314,240	117,133	429	1,246,402	122,742	2,893	1,338,046	141,032	3,322

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities (cont'd)

	HBT Group			H-REIT Group			Stapled Group		
	Loans and borrowings	Lease liabilities	Interest payables	Loans and borrowings	Lease liabilities	Interest payables	Loans and borrowings	Lease liabilities	Interest payables
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 January 2023	174,203	133,977	355	993,502	114,857	3,186	1,080,776	131,147	3,541
Changes from financing cash flows									
Loans from related entity	50,205	–	–	–	–	–	–	–	–
Proceeds from bank loans	–	–	–	417,638	–	–	417,638	–	–
Repayment of bank loans	–	–	–	(352,349)	–	–	(352,349)	–	–
Payment of transaction costs related to borrowings	(15)	–	–	(1,796)	–	–	(1,811)	–	–
Payment of lease liabilities	–	(7,978)	–	–	(718)	–	–	(853)	–
Finance costs paid	–	(4,589)	(5,513)	–	(4,255)	(37,479)	–	(4,926)	(42,991)
Total changes from financing cash flows	50,190	(12,567)	(5,513)	63,493	(4,973)	(37,479)	63,478	(5,779)	(42,991)
Effect of changes in foreign exchange rates	5,802	(442)	18	2,949	1,072	60	5,870	1,606	77
Other changes									
Liability-related									
Addition of lease liabilities	–	126	–	–	5,407	–	–	5,533	–
Remeasurement of lease liabilities	–	3	–	–	1,770	–	–	1,773	–
Derecognition of lease liabilities	–	–	–	–	(1,504)	–	–	(1,504)	–
Amortisation of transaction costs	146	–	–	2,024	–	–	2,170	–	–
Interest expense capitalised	3,741	–	–	–	–	–	–	–	1,847
Interest expense	1,896	4,589	6,168	–	4,255	38,140	–	4,926	42,461
Total liability-related other changes	5,783	4,718	6,168	2,024	9,928	38,140	2,170	10,728	44,308
Balance at 31 December 2023	235,978	125,686	1,028	1,061,968	120,884	3,907	1,152,294	137,702	4,935

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 LOANS AND BORROWINGS (CONT'D)

Re-measurement of lease liabilities

During the financial year:

(i) the lease payments for a leasehold land of the HBT Group have been revised; and

(ii) the lease payments for a leasehold land of the H-REIT Group have been revised.

There were no other changes to the original terms and conditions of leases. The HBT Group, the H-REIT Group and the Stapled Group accounted these leases as lease modification that is not accounted for as a separate lease. The difference between the carrying amount of lease liabilities before the modification and the carrying amount of the modified lease liabilities of:

(i) a $1,445,000 (2023: $3,000) increase for the HBT Group and the Stapled Group has been recognised as an adjustment to the ROU assets in property, plant and equipment; and

(ii) a $1,723,000 (2023: $1,770,000) increase for the H-REIT Group and the Stapled Group has been recognised as an adjustment to the ROU assets in investment properties.

11 FINANCIAL DERIVATIVES

	HBT Group		H-REIT Group		Stapled Group	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Non-current assets						
Interest rate swaps	–	–	8,065	8,300	8,065	8,300
Current assets						
Cross-currency interest rate swap	–	–	560	2,773	560	2,773
Interest rate swap	–	–	–	3,432	–	3,432
Forward exchange contracts	–	–	95	5	95	5
	–	–	655	6,210	655	6,210
Non-current liabilities						
Cross-currency interest rate swap	–	–	–	817	–	817
Interest rate swaps	–	–	548	659	548	659
	–	–	548	1,476	548	1,476
Current liabilities						
Interest rate swaps	–	–	179	–	179	–
Forward exchange contracts	–	–	–	30	–	30
	–	–	179	30	179	30

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 FINANCIAL DERIVATIVES (CONT'D)

Forward exchange contracts

The H-REIT Group uses forward foreign exchange contracts to manage its exposure to foreign currencies.

As at 31 December 2024, the H-REIT Group and the Stapled Group have forward exchange contracts with a total notional amounts of $3.3 million (2023: $5.8 million) respectively.

Cross-currency interest rate swaps

The H-REIT Group uses cross-currency interest rate swaps to manage its exposure to foreign currency risk and interest rate risk associated with movements in foreign exchange rates and interest rates.

As at 31 December 2024, the H-REIT Group and the Stapled Group have a cross-currency interest rate swap with notional amounts of:

(i) $90.2 million to swap $90.2 million at floating rate to €64.0 million at fixed rate.

As at 31 December 2023, the H-REIT Group and the Stapled Group have cross-currency interest rate swaps with notional amounts of:

(i) $90.2 million to swap $90.2 million at floating rate to €64.0 million at fixed rate; and

(ii) $52.9 million (US$40.0 million) to swap US$40.0 million at floating rate to €35.5 million at fixed rate.

Interest rate swaps

The H-REIT Group uses interest rate swaps to manage its exposure to interest rate risk.

As at 31 December 2024, the H-REIT Group and the Stapled Group have interest rate swaps with notional amounts of:

(i) $143.5 million (£84.3 million) to swap floating rate to fixed rate;

(ii) $80.0 million to swap floating rate to fixed rate; and

(iii) $55.0 million (JPY6.4 billion) to swap floating rate to fixed rate.

As at 31 December 2023, the H-REIT Group and the Stapled Group have interest rate swaps with notional amounts of:

(i) $86.0 million (US$65.0 million) to swap floating rate to fixed rate;

(ii) $122.1 million (£72.6 million) to swap floating rate to fixed rate; and

(iii) $60.0 million to swap floating rate to fixed rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 TRADE AND OTHER PAYABLES

	HBT Group		H-REIT Group		Stapled Group	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Trade payables:						
- related corporations	–	–	58	503	58	503
- the H-REIT Manager	–	–	–	176	–	176
- related entities	33,340	28,645	–	–	–	–
- third parties	6,764	5,044	2,143	5,363	8,907	10,407
	40,104	33,689	2,201	6,042	8,965	11,086
Other payables:						
- related corporations	–	–	48	81	48	81
- the H-REIT Manager	30	20	193	201	223	221
- the HBT Trustee-Manager	890	373	–	–	890	373
- related entities	6,892	6,941	13,478	16,465	–	–
- third parties	9,132	8,318	2,159	1,278	11,291	9,596
	16,944	15,652	15,878	18,025	12,452	10,271
Interest payable	429	1,028	2,893	3,907	3,322	4,935
Accruals	12,320	13,198	16,921	16,483	29,241	29,683
	12,749	14,226	19,814	20,390	32,563	34,618
Rental deposits						
- related corporations	–	–	9,461	9,237	9,461	9,237
- third parties	34	5	2,529	2,547	2,563	2,552
	34	5	11,990	11,784	12,024	11,789
Deferred income	5,354	3,723	3,483	512	8,837	4,235
	75,185	67,295	53,366	56,753	74,841	71,999
Non-current	57	74	12,099	11,665	12,156	11,739
Current	75,128	67,221	41,267	45,088	62,685	60,260
	75,185	67,295	53,366	56,753	74,841	71,999

Related corporations refer to related corporations of the H-REIT Manager and the HBT Trustee-Manager. Related entities refer to H-REIT and its subsidiaries or HBT and its subsidiaries (as the case may be).

Outstanding payables to the related corporations, related entities, the H-REIT Manager and the HBT Trustee-Manager are unsecured, interest-free and repayable on demand.

Included in accruals of the H-REIT Group and the Stapled Group is the amounts payable to the H-REIT Trustee and the H-REIT Manager of $77,000 (2023: $72,000) and $1,183,000 (2023: $1,254,000) respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 TRADE AND OTHER PAYABLES (CONT'D)

For the HBT Group, deferred income includes advance consideration received from customers of hotel business amounts to $5,295,000 (2023: $3,723,000). Deferred income from customers of hotel business is a contract liability under SFRS(I) 15. Deferred income is recognised as revenue when the HBT Group fulfils its performance obligation under the contract with the customer. Changes in the deferred income during the year are as follows:

	HBT Group	
	2024	2023
	$'000	$'000
Revenue recognised that was included in deferred income at the beginning of the year	(3,723)	(758)
Increase due to cash received, excluding amounts recognised as revenue during the year	5,295	3,723

13 DEFERRED TAX

Recognised deferred tax assets and liabilities

Movement in deferred tax balances (prior to offsetting of balances) during the year are as follows:

	Balance as at 1/1/2023	Recognised in profit or loss (Note 21)	Recognised in other comprehensive income	Exchange differences	Balance as at 31/12/2023	Acquisition (Note 29)	Recognised in profit or loss (Note 21)	Recognised in other comprehensive income	Exchange differences	Balance as at 31/12/2024
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
HBT Group										
Deferred tax assets										
Tax losses carried forward	(629)	(1,316)	–	(17)	(1,962)	–	(404)	–	(20)	(2,386)
Lease liabilities	–	(6,658)	–	–	(6,658)	–	341	–	–	(6,317)
	(629)	(7,974)	–	(17)	(8,620)	–	(63)	–	(20)	(8,703)
Deferred tax liabilities										
Investment property under development/Investment property	–	4,672	–	37	4,709	–	37	–	61	4,807
Property, plant and equipment (includes right-of-use assets)	17,358	5,974	3,144	600	27,076	1,019	(593)	1,401	256	29,159
	17,358	10,646	3,144	637	31,785	1,019	(556)	1,401	317	33,966
	16,729	2,672	3,144	620	23,165	1,019	(619)	1,401	297	25,263

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 DEFERRED TAX (CONT'D)

Recognised deferred tax assets and liabilities (cont'd)

	Balance as at 1/1/2023	Recognised in statement of total return (Note 21)	Recognised in statement of unitholders' funds	Exchange differences	Balance as at 31/12/2023	Recognised in statement of total return (Note 21)	Recognised in statement of unitholders' funds	Exchange differences	Balance as at 31/12/2024
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group									
Deferred tax assets									
Tax losses carried forward	(737)	–	–	(14)	(751)	–	–	24	(727)
Deferred tax liabilities									
Investment properties	5,148	6,917	–	(40)	12,025	2,322	–	(252)	14,095
Property, plant and equipment	2,811	–	1,820	(227)	4,404	–	3,021	(317)	7,108
	7,959	6,917	1,820	(267)	16,429	2,322	3,021	(569)	21,203
	7,222	6,917	1,820	(281)	15,678	2,322	3,021	(545)	20,476

	Balance as at 1/1/2023	Recognised in statement of total return (Note 21)	Recognised in statement of unitholders' funds	Exchange differences	Balance as at 31/12/2023	Acquisition (Note 29)	Recognised in statement of total return (Note 21)	Recognised in statement of unitholders' funds	Exchange differences	Balance as at 31/12/2024
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group										
Deferred tax assets										
Tax losses carried forward	(1,365)	(1,316)	–	(32)	(2,713)	–	(404)	–	4	(3,113)
Lease liabilities	–	(36)	–	–	(36)	–	30	–	–	(6)
	(1,365)	(1,352)	–	(32)	(2,749)	–	(374)	–	4	(3,119)
Deferred tax liabilities										
Investment property under development/Investment properties	405	12,872	–	56	13,333	–	823	–	73	14,229
Property, plant and equipment (includes right-of-use assets)	25,676	132	4,964	323	31,095	1,019	857	4,422	(477)	36,916
	26,081	13,004	4,964	379	44,428	1,019	1,680	4,422	(404)	51,145
	24,716	11,652	4,964	347	41,679	1,019	1,306	4,422	(400)	48,026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 DEFERRED TAX (CONT'D)

Recognised deferred tax assets and liabilities (cont'd)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. The amounts, determined after appropriate offsetting, are as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Deferred tax assets	795	721	727	751	1,522	1,472
Deferred tax liabilities	(26,058)	(23,886)	(21,203)	(16,429)	(49,548)	(43,151)
	(25,263)	(23,165)	(20,476)	(15,678)	(48,026)	(41,679)

Under FRS 12/SFRS(I) 1-12 *Income Taxes*, deferred tax is not recognised for temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting or taxable profit or loss. As at 31 December 2024, the H-REIT Group and the Stapled Group have not recognised deferred tax liabilities of $26.2 million (2023: $26.1 million) relating to temporary differences on the initial recognition of assets and liabilities of the subsidiaries acquired.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the HBT Group, the H-REIT Group and the Stapled Group can utilise the benefits therefrom.

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Tax losses	22,198	35,779	22,161	22,884	44,359	58,663

Tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the subsidiaries operate. The tax losses under the Stapled Group of $44,005,000 (2023: $58,244,000) will expire between 2025 to 2029 (2023: 2024 to 2028). The remaining tax losses do not expire under current tax legislation.

14 NON-CONTROLLING INTERESTS

The following subsidiaries have non-controlling interests:

Name	Principal places of business/Country of incorporation	Operating Segment	Ownership interests held by NCI	
			2024	2023
			%	%
CDLHT CFM III B.V.	Netherlands	Italy	5.0	5.0
NKS Hospitality I B.V.	Netherlands	Germany	5.1	5.1
Munich Furniture B.V.	Netherlands	Germany	5.1	5.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 NON-CONTROLLING INTERESTS (CONT'D)

The following summarised financial information for the above subsidiaries is prepared in accordance with FRS, modified for fair value adjustments on acquisition and differences in the Stapled Group's accounting policies.

	H-REIT Group and Stapled Group			
	CDLHT CFM III B.V.	NKS Hospitality I B.V.	Munich Furniture B.V.	Total
	$'000	$'000	$'000	$'000
2024				
Revenue	5,412	9,789	1,003	16,204
Profit and total comprehensive income	6,622	3,989	860	11,471
Attributable to NCI:				
- Profit and total comprehensive income	331	203	44	578
Non-current assets	66,817	142,343	4,504	213,664
Current assets	10,876	19,292	3,221	33,389
Non-current liabilities	(16,862)	–	–	(16,862)
Current liabilities	(1,938)	(70,121)	(1,920)	(73,979)
Net assets	58,893	91,514	5,805	156,212
Net assets attributable to NCI	2,945	4,667	296	7,908
Cash flows from operating activities	223	464	87	
Cash flows from investing activities	(10)	(2)	(93)	
Cash flows from financing activities	–	(276)	–	
Net increase/(decrease) in cash and cash equivalents	213	186	(6)	
2023				
Revenue	5,576	9,671	1,007	16,254
Profit and total comprehensive income	9,408	5,099	434	14,941
Attributable to NCI:				
- Profit and total comprehensive income	471	260	22	753
Non-current assets	65,674	148,356	3,736	217,766
Current assets	6,977	14,307	3,322	24,606
Non-current liabilities	(16,631)	(64,171)	–	(80,802)
Current liabilities	(1,857)	(4,448)	(957)	(7,262)
Net assets	54,163	94,044	6,101	154,308
Net assets attributable to NCI	2,708	4,797	311	7,816
Cash flows from operating activities	172	311	(6)	
Cash flows from investing activities	(40)	(10)	(4)	
Cash flows from financing activities	–	(56)	–	
Net increase/(decrease) in cash and cash equivalents	132	245	(10)	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 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 are as follows:

	2024 '000	2023 '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 fees paid in Stapled Securities	9,991	8,091
- HBT Trustee-Manager's management fees paid in Stapled Securities	1,034	721
At 31 December	1,256,857	1,245,832
Units/Stapled Securities to be issued:		
H-REIT Manager's management fees payable in Stapled Securities	6,740	5,429
HBT Trustee-Manager's management fees payable in Stapled Securities	609	463
At 31 December	7,349	5,892
Units/Stapled Securities, in issue and to be issued	1,264,206	1,251,724

Financial year ended 31 December 2024

(i) During the financial year, the following Stapled Securities were issued:

- 9,991,504 Stapled Securities at unit prices ranging from $0.9556 to $1.0981 per Stapled Security, amounting to $10,411,000, were issued as satisfaction of the H-REIT Manager's management fees payable in Stapled Securities; and
- 1,033,978 Stapled Securities at unit prices ranging from $0.9556 to $1.0981 per Stapled Security, amounting to $1,065,000, were issued as satisfaction of the HBT Trustee-Manager's management fees payable in Stapled Securities.

(ii) 6,739,779 Stapled Securities at a unit price of $0.8505 per Stapled Security, amounting to $5,732,000, will be issued subsequent to year end as satisfaction of the H-REIT Manager's base fee for the period from 1 October 2024 to 31 December 2024 and performance fee for the financial year ended 31 December 2024.

(iii) 608,638 Stapled Securities at a unit price of $0.8505 per Stapled Security, amounting to $518,000, will be issued subsequent to year end as satisfaction of the HBT Trustee-Manager's base fee for the period from 1 October 2024 to 31 December 2024 and performance fee for the financial year ended 31 December 2024.

Financial year ended 31 December 2023

(i) During the financial year, the following Stapled Securities were issued:

- 8,091,477 Stapled Securities at unit prices ranging from $1.0507 to $1.2283 per Stapled Security, amounting to $9,619,000, were issued as satisfaction of the H-REIT Manager's management fees payable in Stapled Securities; and
- 720,643 Stapled Securities at unit prices ranging from $1.0507 to $1.2283 per Stapled Security, amounting to $850,000, were issued as satisfaction of the HBT Trustee-Manager's management fees payable in Stapled Securities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 UNITS/STAPLED SECURITIES IN ISSUE AND TO BE ISSUED (CONT'D)

Financial year ended 31 December 2023 (cont'd)

(ii) 5,429,281 Stapled Securities at a unit price of $1.0981 per Stapled Security, amounting to $5,962,000, were issued subsequent to year end as satisfaction of the H-REIT Manager's base fee for the period from 1 October 2023 to 31 December 2023 and performance fee for the financial year ended 31 December 2023.

(iii) 462,861 Stapled Securities at a unit price of $1.0981 per Stapled Security, amounting to $508,000, were issued subsequent to year end as satisfaction of the HBT Trustee-Manager's base fee for the period from 1 October 2023 to 31 December 2023 and performance fee for the financial year ended 31 December 2023.

Capital management

The Boards of the H-REIT Manager and the HBT Trustee-Manager have a policy to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of unitholders' funds. The Boards monitor the yield of the property portfolio, which is defined as net property income from the property divided by the latest valuation for the property. The Boards also monitor the level of distributions made to holders of Stapled Securities.

The Boards seek to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

H-REIT is subject to the aggregate leverage limit as defined in the Property Funds Appendix of the CIS Code issued by the MAS. The CIS Code stipulates that the total borrowings and deferred payments (together the "**Aggregate Leverage**") of a property fund should not exceed 50.0% of its Deposited Property (2023: should not exceed 45.5% or up to a maximum of 50% of its Deposited Property if the property fund has a minimum adjusted interest coverage ratio of 2.5 times).

The Aggregate Leverage of H-REIT as at 31 December 2024 was 40.1% (2023: 36.7%) of the H-REIT Group's Deposited Property which were within the limit described in the CIS code.

The HBT Group, the H-REIT Group and the Stapled Group are in compliance with the borrowing limit requirements imposed by the relevant Trust Deeds for the financial year ended 31 December 2024 and 31 December 2023. There were no substantial changes in the HBT Group's, the H-REIT Group's and the Stapled Group's approach to capital management during the year.

16 NET ASSET VALUE PER UNIT/STAPLED SECURITY

	Note	HBT Group		H-REIT Group		Stapled Group	
		2024	2023	2024	2023	2024	2023
		$'000	$'000	$'000	$'000	$'000	$'000
Net asset value per Unit/Stapled Security is based on:							
Net (liabilities)/assets attributable to holders of Stapled Securities		(7,995)	6,356	1,789,476	1,819,229	1,832,378	1,878,446
		'000	'000	'000	'000	'000	'000
Total issued and to be issued Units/Stapled Securities at 31 December	15	1,264,206	1,251,724	1,264,206	1,251,724	1,264,206	1,251,724

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17 REVENUE

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue from contract with customers:						
- Hotel revenue	142,689	141,985	–	–	142,689	141,985
Rental income						
- Fixed rent	1,918	–	73,301	71,761	63,405	59,872
- Variable rent	–	–	69,748	72,951	54,165	55,699
	144,607	141,985	143,049	144,712	260,259	257,556

Hotel revenue

Hotel revenue comprises mainly room and food and beverage and other hotel related services income.

Rental revenue

Under the terms of the lease agreements for the properties, the H-REIT Group and the HBT Group are 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.

Rental revenue for the H-REIT Group includes rental income from the HBT Group and related corporations of the H-REIT Manager of $27,397,000 (2023: $29,141,000) and $78,630,000 (2023: $79,052,000), respectively. Such revenue is attributable to the Maldives segment, New Zealand segment, Singapore segment, Japan segment and Australia segment.

18 MANAGEMENT FEES

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Manager's management fee						
- Base fee	–	–	7,471	6,993	7,471	6,993
- Performance fee	–	–	5,255	5,646	5,255	5,646
	–	–	12,726	12,639	12,726	12,639
HBT Trustee-Manager's management fee						
- Base fee	952	762	–	–	952	762
- Performance fee	391	426	–	–	391	426
	1,343	1,188	–	–	1,343	1,188

H-REIT Manager's management fee

Included in the H-REIT Manager's fees is an aggregate of 11,302,002 (2023: 9,067,545) Stapled Securities, amounting to approximately $10,181,000 (2023: $10,111,000), that have been or will be issued to the H-REIT Manager as satisfaction of the H-REIT Manager's management fees payable in Stapled Securities, at unit prices ranging from $0.8505 to $0.9916 (2023: $1.0507 to $1.2132) per Stapled Security.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18 MANAGEMENT FEES (CONT'D)

HBT Trustee-Manager's management fee

Included in the HBT Trustee-Manager's fees is an aggregate of 1,179,755 (2023: 851,476) Stapled Securities, amounting to approximately $1,074,000 (2023: $950,000), that have been or will be issued to the HBT Trustee-Manager as satisfaction of the HBT Trustee-Manager's management fees payable in Stapled Securities, at unit prices ranging from $0.8505 to $0.9916 (2023: $1.0507 to $1.2132) per Stapled Security.

19 FINANCE INCOME AND FINANCE COSTS

	HBT Group		H-REIT Group		Stapled Group	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Finance income						
Interest income under the effective interest method on:						
- cash and cash equivalents	98	86	224	613	322	698
- finance lease receivables	–	–	256	151	256	151
- loan to related entity	–	–	7,457	5,637	–	–
	98	86	7,937	6,401	578	849
Net foreign exchange gain	–	–	–	787	–	–
	98	86	7,937	7,188	578	849
Finance costs						
Financial liabilities measured at amortised cost:						
- interest expense on:						
- loans and borrowings	(6,736)	(6,168)	(43,334)	(38,140)	(49,039)	(42,461)
- lease liabilities	(4,339)	(4,589)	(4,429)	(4,255)	(5,152)	(4,926)
- loan from related entity	(5,538)	(1,896)	–	–	–	–
- amortisation of transaction costs on loans and borrowings	(147)	(146)	(2,158)	(2,024)	(2,305)	(2,170)
- financial expense arising from accretion of non-current rental deposits	–	–	(282)	(271)	(282)	(271)
	(16,760)	(12,799)	(50,203)	(44,690)	(56,778)	(49,828)
Fair value losses on financial derivatives designated at FVTPL	–	–	(5,023)	(13,333)	(5,023)	(13,333)
Net foreign exchange losses	(3,844)	(3,732)	(3,697)	–	(7,022)	(149)
	(20,604)	(16,531)	(58,923)	(58,023)	(68,823)	(63,310)
Net finance costs	(20,506)	(16,445)	(50,986)	(50,835)	(68,245)	(62,461)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20 (LOSS)/TOTAL RETURN BEFORE TAX

(Loss)/Total return before tax is arrived at after charging/(crediting) the following items:

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Audit fees paid to:						
- auditors of HBT/H-REIT and other firms affiliated with KPMG International Limited	461	379	638	595	1,099	974
- other auditors	287	206	129	128	416	334
Non-audit fees paid to:						
- auditors of HBT/H-REIT and other firms affiliated with KPMG International Limited	389	200	331	257	720	457
- other auditors	139	107	28	5	167	112
Employee benefit expenses						
- salaries, bonuses and other costs	44,769	42,481	–	–	44,769	42,481
- contributions to defined contribution plans	2,475	3,013	–	–	2,475	3,013
	47,244	45,494	–	–	47,244	45,494
Less: Government grants received	(418)	(280)	–	–	(418)	(280)
	46,826	45,214	–	–	46,826	45,214
Impairment loss on trade and other receivables	43	93	7,494	2,333	43	255
Write-off of property, plant and equipment	–	410	–	–	–	410
Cost of inventories	13,985	14,327	–	–	13,985	14,327
Operating expenses arising from rental of investment properties	1,564	–	21,994	15,770	10,851	8,287

In 2024, in addition to the amounts disclosed above, audit and non-audit fees paid to auditors of HBT/H-REIT and other firms affiliated with KPMG International Limited of $190,000 in relation to the acquisition of investment properties was included in "Investment Properties".

Employee benefit expenses above include staff-related costs reimbursed to hotel managers of the respective hotels.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21 TAX EXPENSE

	HBT Group		H-REIT Group		Stapled Group	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Current tax expense						
Current year	1,580	2,095	4,630	3,511	6,210	5,606
Under/(Over) provision in prior years	126	(383)	(2,979)	(812)	(2,853)	(1,195)
	1,706	1,712	1,651	2,699	3,357	4,411
Withholding tax	393	395	1,107	1,333	1,500	1,728
Deferred tax expense						
Origination and reversal of temporary differences (Note 13)	(619)	2,672	2,322	6,917	1,306	11,652
Tax expense	1,480	4,779	5,080	10,949	6,163	17,791
Reconciliation of effective tax rate						
(Loss)/Total return for the year before tax	(21,169)	(7,232)	42,113	140,180	21,106	141,756
Tax calculated using Singapore tax rate of 17%	(3,599)	(1,230)	7,159	23,831	3,588	24,099
Effect of tax in a foreign jurisdiction	(46)	1,303	190	4,308	144	5,611
Non-tax deductible items	5,932	4,837	10,709	10,430	16,641	17,796
Non-taxable items	(2,987)	(1,638)	(904)	(16,217)	(4,316)	(19,819)
Tax exempt income	(18)	(17)	(935)	(800)	(953)	(817)
Tax transparency	–	–	(9,599)	(9,645)	(9,599)	(9,645)
Current year tax losses for which no deferred tax asset was recognised	1,176	1,885	1,725	443	2,901	2,328
Change in unrecognised temporary differences	503	(373)	(1,393)	(1,922)	(890)	(2,295)
Withholding tax expense	393	395	1,107	1,333	1,500	1,728
Under/(Over) provision in prior years	126	(383)	(2,979)	(812)	(2,853)	(1,195)
	1,480	4,779	5,080	10,949	6,163	17,791

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22 (LOSS)/TOTAL RETURN FOR THE YEAR

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Comprises (loss)/total return of:						
- H-REIT	–	–	20,929	141,424	20,929	141,424
- Other H-REIT Group entities*	–	–	16,104	(12,193)	16,104	(12,193)
- HBT	(12,671)	(3,658)	–	–	(12,671)	(3,658)
- Other HBT Group entities*	(9,978)	(8,353)	–	–	(9,978)	(8,353)
- Stapled Group's consolidation adjustments	–	–	–	–	559	6,745
	(22,649)	(12,011)	37,033	129,231	14,943	123,965

* including consolidation adjustments

23 EARNINGS PER STAPLED SECURITY

Earnings per Stapled Security is based on:

	Stapled Group	
	2024	2023
	$'000	$'000
Total return for the year attributable to holders of Stapled Securities	14,365	123,212

	Number of Stapled Securities	
	2024	2023
	'000	'000
Weighted average number of Stapled Securities used in arriving at basic earnings per Stapled Security:		
- outstanding during the year	1,254,307	1,243,802
- to be issued as payment of H-REIT Manager's and/or HBT Trustee-Manager's management fees payable in Stapled Securities	10	7
	1,254,317	1,243,809

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23 EARNINGS PER STAPLED SECURITY (CONT'D)

	Number of Stapled Securities	
	2024 '000	2023 '000
Weighted average number of Stapled Securities used in arriving at diluted earnings per Stapled Security:		
- weighted average number of Stapled Securities (basic)	1,254,317	1,243,809
- effect of H-REIT Manager's and/or HBT Trustee-Manager's management fees paid/ payable in Stapled Securities	9,889	7,915
	1,264,206	1,251,724

	Stapled Group	
	2024	2023
Earnings per Stapled Security (cents)		
Basic	1.15	9.91
Diluted	1.14	9.84

24 OPERATING SEGMENTS

In 2024, the HBT Group, the H-REIT Group and the Stapled Group have 5, 8 and 8 (2023: 5, 8 and 8) reportable segments, respectively, as described below. All the segments relate to properties operated as hotels, resorts and/or residential apartments. Each segment is managed separately because of the differences in operating and regulatory environment. The Board of Directors ("**BOD**") of the HBT Trustee-Manager and the H-REIT Manager review the internal management reports for the segments at least quarterly.

The number of properties included in each reportable segment is set out below:

	Number of properties					
	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
Reportable segment						
Singapore	1	1	6	6	6	6
New Zealand	–	–	1	1	1	1
Australia	2	2	2	2	2	2
Germany	–	–	1	1	1	1
Italy	–	–	1	1	1	1
Maldives	1	1	2	2	2	2
Japan	2	2	2	2	2	2
United Kingdom (UK)	4	3	2	1	6	4

Other operations of the H-REIT Group and the Stapled Group include Claymore Connect which is leased to individual tenants and is operated as a retail space.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information regarding the results of each reportable segment is included below. Performance is measured based on segment net property income, as included in the internal management reports that are reviewed by the BOD of the HBT Trustee-Manager or the H-REIT Manager. Segment net property income is used to measure performance as the HBT Trustee-Manager or the H-REIT Manager believes that such information is the most relevant in evaluating the results of the segments relative to other entities that operate within the same industry.

Information about reportable segments

	Singapore $'000	Australia $'000	Maldives $'000	Japan $'000	UK $'000	Total $'000
HBT Group						
2024						
Hotel revenue	54,729	21,756	11,660	8,982	45,562	142,689
Rental revenue	–	–	–	–	1,918	1,918
Revenue – external	54,729	21,756	11,660	8,982	47,480	144,607
Reportable segment net property income/(loss)	3,322	5,591	(897)	11	10,737	18,764
Depreciation of property, plant and equipment	(2,368)	(4,143)	(2,819)	–	(7,098)	(16,428)
Fair value loss on investment property	–	–	–	–	(574)	(574)
Reversal of revaluation deficit on property, plant and equipment	–	–	–	–	1,819	1,819
HBT Trustee-Manager's acquisition fee	–	–	–	–	(334)	(334)
Gain from a bargain purchase	–	–	–	–	3,035	3,035
Unallocated items:						
- HBT Trustee-Manager's management fee						(1,343)
- HBT Trustee-Manager's trustee fee						(381)
- Valuation fees						(46)
- Other expenses						(5,175)
- Finance income						98
- Finance costs						(20,604)
- Tax expense						(1,480)
Loss for the year						(22,649)
Reportable segment assets						
Capital expenditure on investment properties and property, plant and equipment	–	–	–	–	25,672	25,672
Non-current assets^	34,869	25,182	25,808	–	391,465	477,324

^ Excluding deferred tax assets and other receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore $'000	Australia $'000	Maldives $'000	Japan $'000	UK $'000	Total $'000
HBT Group						
2023						
Hotel revenue – external	58,719	20,241	13,823	8,117	41,085	141,985
Reportable segment net property income/loss	3,516	4,750	(159)	266	10,988	19,361
Depreciation of property, plant and equipment	(2,368)	(4,192)	(2,832)	–	(7,079)	(16,471)
Fair value gain on investment property under development	–	–	–	–	6,735	6,735
Reversal of revaluation deficit on property, plant and equipment	–	–	–	–	3,158	3,158
Unallocated items:						
- HBT Trustee-Manager's management fee						(1,188)
- HBT Trustee-Manager's trustee fee						(305)
- Valuation fee						(53)
- Other expenses						(2,024)
- Finance income						86
- Finance costs						(16,531)
- Tax expense						(4,779)
Loss for the year						(12,011)
Reportable segment assets						
Capital expenditure:						
- Property, plant and equipment	–	–	–	–	3,238	3,238
- Investment property under development	–	–	–	–	62,491	62,491
Non-current assets^	37,279	31,003	27,931	–	323,654	419,867

^ Excluding deferred tax assets and other receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore	New Zealand	Australia	Germany	Maldives	Japan	Italy	UK	Total reportable segments	Others	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group											
2024											
Rental revenue	87,241	5,220	4,805	10,792	12,029	4,750	5,412	4,673	134,922	8,127	143,049
Reportable segment net property income	78,667	5,220	3,534	9,706	3,305	4,475	5,147	4,605	114,659	6,122	120,781
Depreciation of property, plant and equipment	–	–	–	–	(414)	(1,390)	–	–	(1,804)	–	(1,804)
Net fair value (loss)/gain on investment properties	(16,771)	(5,078)	4,887	(3,333)	(2,002)	–	2,868	(300)	(19,729)	9,991	(9,738)
Unallocated items:											
- H-REIT Manager's management fee											(12,726)
- H-REIT Trustee's fee											(448)
- Valuation fees											(188)
- Other expenses											(2,778)
- Finance income											7,937
- Finance costs											(58,923)
- Tax expense											(5,080)
Total return for the year											37,033
Other material non-cash items											
Impairment loss on trade receivables	–	–	–	–	(7,494)	–	–	–	(7,494)	–	(7,494)
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	14,655	11,524	7,519	1,902	2,574	13	207	–	38,394	–	38,394
Non-current assets^	1,952,100	167,907	69,886	147,663	154,086	80,949	67,518	151,144	2,791,253	120,000	2,911,253

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore	New Zealand	Australia	Germany	Maldives	Japan	Italy	UK	Total reportable segments	Others	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group											
2023											
Rental revenue	87,559	7,251	5,481	10,678	12,551	3,874	5,576	4,165	137,135	7,577	144,712
Reportable segment net property income	79,778	7,251	4,281	9,459	9,157	3,595	5,344	4,165	123,030	5,633	128,663
Depreciation of property, plant and equipment	–	–	–	–	(510)	(1,367)	–	–	(1,877)	–	(1,877)
Net fair value gain/(loss) on investment properties	111,341	(25,441)	(5,203)	(1,479)	(16,681)	–	6,367	2,001	70,905	9,882	80,787
Unallocated items:											
- H-REIT Manager's management fee											(12,639)
- H-REIT Trustee's fee											(409)
- Valuation fee											(208)
- Other expenses											(3,302)
- Finance income											7,188
- Finance costs											(58,023)
- Tax expense											(10,949)
Total return for the year											129,231
Other material non-cash items											
Impairment loss on trade receivables	(162)	–	–	–	(2,171)	–	–	–	(2,333)	–	(2,333)
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	22,155	5,091	876	274	4,530	271	787	–	33,984	–	33,984
Non-current assets^	1,954,228	176,248	62,148	152,935	149,936	70,587	66,398	79,549	2,712,029	110,000	2,822,029

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

Stapled Group	Singapore	New Zealand	Australia	Germany	Maldives	Japan	Italy	UK	Total reportable segments	Others	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2024											
Rental revenue	73,409	5,220	–	10,792	8,020	–	5,412	6,590	109,443	8,127	117,570
Hotel revenue	54,729	–	21,756	–	11,660	8,982	–	45,562	142,689	–	142,689
Revenue – external	128,138	5,220	21,756	10,792	19,680	8,982	5,412	52,152	252,132	8,127	260,259
Reportable segment net property income	78,990	5,220	4,319	9,706	5,892	4,486	5,147	15,341	129,101	6,122	135,223
Depreciation of property, plant and equipment	(8,362)	–	(2,252)	–	(3,475)	(1,390)	–	(7,097)	(22,576)	–	(22,576)
Net fair value gain/(loss) on investment properties	2,588	(5,078)	–	(3,332)	(1,280)	–	2,869	13	(4,220)	9,991	5,771
(Revaluation deficit) /Reversal of revaluation deficit on property, plant and equipment	(13,215)	–	709	–	1,998	–	–	1,819	(8,689)	–	(8,689)
HBT Trustee-Manager's acquisition fee	–	–	–	–	–	–	–	(334)	(334)	–	(334)
Gain from a bargain purchase	–	–	–	–	–	–	–	3,035	3,035	–	3,035
Unallocated items:											
- H-REIT Manager's management fee											(12,726)
- H-REIT Trustee's fee											(448)
- HBT Trustee-Manager's management fee											(1,343)
- HBT Trustee-Manager's trustee fee											(381)
- Valuation fees											(234)
- Other expenses											(7,947)
- Finance income											578
- Finance costs											(68,823)
- Tax expense											(6,163)
Total return for the year											14,943
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	14,656	11,524	7,519	1,902	2,575	13	207	24,784	63,180	–	63,180
Non-current assets^	1,956,137	167,907	77,510	147,663	164,956	80,949	67,518	542,610	3,205,250	120,000	3,325,250

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

Stapled Group	Singapore	New Zealand	Australia	Germany	Maldives	Japan	Italy	UK	Total reportable segments	Others	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2023											
Rental revenue	71,801	7,251	–	10,678	8,523	–	5,576	4,165	107,994	7,577	115,571
Hotel revenue	58,719	–	20,241	–	13,823	8,117	–	41,085	141,985	–	141,985
Revenue – external	130,520	7,251	20,241	10,678	22,346	8,117	5,576	45,250	249,979	7,577	257,556
Reportable segment net property income	80,294	7,251	4,168	9,459	7,140	3,862	5,344	15,153	132,671	5,633	138,304
Depreciation of property, plant and equipment	(7,818)	–	(1,993)	–	(3,674)	(1,367)	–	(7,079)	(21,931)	–	(21,931)
Net fair value gain/(loss) on investment properties and investment property under development	112,212	(25,441)	–	(1,479)	(5,199)	–	6,367	10,630	97,090	9,882	106,972
Reversal of revaluation deficit/ (Revaluation deficit) on property, plant and equipment	780	–	1,383	–	(4,378)	–	–	3,158	943	–	943
Unallocated items:											
- H-REIT Manager's management fee											(12,639)
- H-REIT Trustee's fee											(409)
- HBT Trustee-Manager's management fee											(1,188)
- HBT Trustee-Manager's trustee fee											(305)
- Valuation fee											(261)
- Other expenses											(5,269)
- Finance income											849
- Finance costs											(63,310)
- Tax expense											(17,791)
Total return for the year											123,965
Reportable segment assets											
Capital expenditure:											
- Investment properties and property, plant and equipment	22,155	5,091	876	274	4,582	271	787	3,238	37,274	–	37,274
- Investment property under development	–	–	–	–	–	–	–	60,597	60,597	–	60,597
Non-current assets^	1,967,433	176,248	71,605	152,935	160,524	70,587	66,398	403,203	3,068,933	110,000	3,178,933

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

Major customers

The H-REIT Group's properties, except Claymore Connect and Benson Yard, are leased to 14 (2023: 14) master lessees. Such master lessees include subsidiaries of Millennium & Copthorne Hotels Limited, a related corporation, which accounted for $78,630,000 (2023: $79,052,000) or 55.0% (2023: 54.6%) of the revenue of the H-REIT Group, and subsidiaries of a third party which accounted for approximately $15,081,000 (2023: $15,122,000) or 10.5% (2023: 10.4%) of the revenue of the H-REIT Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS

Financial risk management

Overview

The Stapled Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the exposure of the HBT Group, the H-REIT Group and the Stapled Group to each of the above risks, their objectives, policies and procedures for measuring and managing risk, and their management of capital.

Risk management framework

Risk management is integral to the whole business of the Stapled Group. The Stapled Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The HBT Trustee-Manager and the H-REIT Manager continually monitor the Stapled Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Stapled Group's activities.

The Audit and Risk Committees of the H-REIT Manager and the HBT Trustee-Manager assist the H-REIT Manager's and the HBT Trustee-Manager's Boards in reviewing the effectiveness of the Stapled Group's material internal controls, including those relating to financial, operational and compliance.

In addition, the Audit and Risk Committees of the H-REIT Manager and the HBT Trustee-Manager assist the H-REIT Manager's and the HBT Trustee-Manager's Boards in discharging its duties with respect to maintaining an effective control environment that reflects both the established risk appetite and the business objectives of the Stapled Group. The Audit and Risk Committees oversee how management monitors compliance with the Stapled Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Stapled Group.

(i) Credit risk

Credit risk is the risk of financial loss resulting from the failure of a customer or counterparty to a financial instrument to settle its financial and contractual obligations to the Stapled Group, as and when they fall due.

The carrying value of financial assets in the statements of financial position represents maximum exposure of the Stapled Group of credit risk, before taking into account any collateral held. The Stapled Group limits its exposure to credit risk from trade receivables by collecting security deposits as collateral, where possible.

Trade and other receivables

Credit evaluations are performed before lease agreements are entered into with tenants. Rental deposits are received, where appropriate, to reduce credit risk. In addition, the balances due from lessees and tenants are being monitored on an on-going basis.

The hotel/resort operators which manage the hotels under the HBT Group perform credit evaluations on customers before accepting customers and monitor their balances on an on-going basis.

At 31 December 2024 and 31 December 2023, the trade receivables from related corporations and/or related entities arising from the master lease arrangements for certain hotel properties represent a significant portion of the H-REIT Group's and the Stapled Group's receivables (Note 8). Except as disclosed, there was no significant concentration of credit risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(i) Credit risk (cont'd)

Trade and other receivables (cont'd)

Exposure to credit risk

Expected credit loss assessment for individual lessees and customers

The Stapled Group uses an allowance matrix to measure the ECLs of trade receivables.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments (geographic region) based on actual credit loss experience over the past four years. These rates are adjusted by scalar factors to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Stapled Group's view of economic conditions over the expected lives of the receivables.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2024 and 31 December 2023:

	2024		2023	
	Gross carrying amount $'000	Impairment loss allowance $'000	Gross carrying amount $'000	Impairment loss allowance $'000
HBT Group				
Not past due	3,243	–	2,861	–
Past due 31 – 60 days	675	–	273	–
Past due 61 – 90 days	236	–	138	–
Past due over 90 days	334	(146)	1,004	(106)
	4,488	(146)	4,276	(106)
Not credit-impaired	4,488	(146)	4,276	(106)
	4,488	(146)	4,276	(106)
H-REIT Group				
Not past due	32,446	–	30,225	–
Past due 31 – 60 days	67	–	32	–
Past due 61 – 90 days	–	–	164	–
Past due over 90 days	17,819	(17,761)	10,262	(9,887)
	50,332	(17,761)	40,683	(9,887)
Credit-impaired	17,668	(17,668)	9,793	(9,793)
Not credit-impaired	32,664	(93)	30,890	(94)
	50,332	(17,761)	40,683	(9,887)
Stapled Group				
Not past due	20,017	–	14,236	–
Past due 31 – 60 days	742	–	305	–
Past due 61 – 90 days	236	–	302	–
Past due over 90 days	485	(239)	1,471	(199)
	21,480	(239)	16,314	(199)
Not credit-impaired	21,480	(239)	16,314	(199)
	21,480	(239)	16,314	(199)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(i) Credit risk (cont'd)

Trade and other receivables (cont'd)

Exposure to credit risk (cont'd)

Movement in allowance for impairment in respect of trade and other receivables

The movement in the allowance for impairment losses in respect of trade and other receivables during the year is as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 January	106	131	9,887	7,953	199	302
Impairment loss recognised	43	93	7,494	2,333	43	255
Amounts utilised	(5)	(122)	–	(240)	(5)	(362)
Translation differences	2	4	380	(159)	2	4
At 31 December	146	106	17,761	9,887	239	199

The Stapled Group establishes allowances for impairment that represents its estimate of the expected credit loss and specific loss component in respect of trade and other receivables.

The allowance account in respect of trade and other receivables is used to record impairment losses unless the Stapled Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and cash equivalents

Cash and fixed deposits are placed with financial institutions which are regulated. Investments and transactions are allowed only with counterparties who have sound credit ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Stapled Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Derivatives

Derivatives are only entered into with banks and financial institution counterparties with sound credit ratings. Details of the derivatives held by the H-REIT Group and the Stapled Group are set out in Note 11.

(ii) Liquidity risk

Liquidity risk is the risk that the Stapled Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The HBT Trustee-Manager and the H-REIT Manager monitor their liquidity risk and maintain a level of cash and cash equivalents deemed adequate to finance the HBT Group's and the H-REIT Group's operations and to mitigate the effects of fluctuations in cash flows. The H-REIT Manager also monitors and observes the CIS Code issued by the MAS concerning limits on total borrowings. As at the reporting date, the H-REIT Group maintains several lines of credit (Note 10).

The Stapled Group has contractual commitments to incur capital expenditure (Note 26).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(ii) Liquidity risk (cont'd)

The following are the material contractual undiscounted cash inflows/(outflows) of financial liabilities, including estimated interest payments:

	Carrying amount	Contractual cash flows	Cash flows: Within 1 year	Cash flows: Between 1 to 5 years	Cash flows: More than 5 years
	$'000	$'000	$'000	$'000	$'000
HBT Group					
2024					
Non-derivative financial liabilities					
Unsecured bank loan	91,644	(103,557)	(6,029)	(97,528)	–
Loans from related entity	222,596	(306,018)	(24,439)	(38,126)	(243,453)
Lease liabilities	117,133	(197,089)	(13,361)	(53,303)	(130,425)
Trade and other payables^	69,831	(69,831)	(69,831)	–	–
	501,204	(676,495)	(113,660)	(188,957)	(373,878)
2023					
Non-derivative financial liabilities					
Unsecured bank loan	90,326	(111,159)	(6,961)	(104,198)	–
Loans from related entity	145,652	(145,652)	(145,652)	–	–
Lease liabilities	125,686	(203,591)	(13,186)	(54,089)	(136,316)
Trade and other payables^	63,572	(63,572)	(63,572)	–	–
	425,236	(523,974)	(229,371)	(158,287)	(136,316)
H-REIT Group					
2024					
Non-derivative financial liabilities					
Secured TMK bond	26,654	(26,889)	(26,889)	–	–
Secured bank loan	62,142	(62,425)	(62,425)	–	–
Unsecured bank loans	1,157,606	(1,270,657)	(409,564)	(861,093)	–
Lease liabilities	122,742	(484,946)	(5,485)	(21,183)	(458,278)
Trade and other payables^	49,883	(50,389)	(38,716)	(10,073)	(1,600)
	1,419,027	(1,895,306)	(543,079)	(892,349)	(459,878)
2023					
Non-derivative financial liabilities					
Secured TMK bond	28,582	(29,380)	(320)	(29,060)	–
Secured bank loan	64,170	(65,601)	(1,104)	(64,497)	–
Unsecured bank loans	969,216	(1,071,393)	(386,528)	(684,865)	–
Lease liabilities	120,884	(475,181)	(5,325)	(21,916)	(447,940)
Trade and other payables^	56,241	(56,392)	(45,650)	(9,780)	(962)
	1,239,093	(1,697,947)	(438,927)	(810,118)	(448,902)

^ Excluding deferred income

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(ii) Liquidity risk (cont'd)

			Cash flows		
	Carrying amount	Contractual cash flows	Within 1 year	Between 1 to 5 years	More than 5 years
	$'000	$'000	$'000	$'000	$'000
Stapled Group					
2024					
Non-derivative financial liabilities					
Secured TMK bond	26,654	(26,889)	(26,889)	–	–
Secured bank loan	62,142	(62,425)	(62,425)	–	–
Unsecured bank loans	1,249,250	(1,374,214)	(415,593)	(958,621)	–
Lease liabilities	141,032	(563,849)	(6,264)	(24,157)	(533,428)
Trade and other payables^	66,004	(66,510)	(54,837)	(10,073)	(1,600)
	1,545,082	(2,093,887)	(566,008)	(992,851)	(535,028)
2023					
Non-derivative financial liabilities					
Secured TMK bond	28,582	(29,380)	(320)	(29,060)	–
Secured bank loan	64,170	(65,601)	(1,104)	(64,497)	–
Unsecured bank loans	1,059,542	(1,182,553)	(393,490)	(789,063)	–
Lease liabilities	137,702	(546,955)	(6,136)	(24,704)	(516,115)
Trade and other payables^	67,764	(67,916)	(57,174)	(9,780)	(962)
	1,357,760	(1,892,405)	(458,224)	(917,104)	(517,077)

^ Excluding deferred income

The maturity analyses show the material contractual undiscounted cash flows of the Stapled Group's financial liabilities on the basis of their earliest possible contractual maturity. The cash inflows/(outflows) disclosed relate to these instruments held for risk management purposes and which are usually not closed out prior to contractual maturity.

The interest payments on floating rate loans and borrowings in the table above reflect market forward interest rates at the period end and these amounts may change as market interest rates changes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the HBT Group's profit or loss and the H-REIT Group's and the Stapled Group's total return. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

The H-REIT Manager's and the HBT Trustee-Manager's strategy to manage the risk of potential interest rate volatility is through the use of interest rate hedging instruments and/or fixed rate borrowings. The H-REIT Manager and the HBT Trustee-Manager will regularly evaluate the feasibility of putting in place the appropriate level of interest rate hedges, after taking into account the prevailing market conditions.

Derivative financial instruments are used to manage exposures to interest rate risks arising from financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Exposure to interest rate risk

The Stapled Group's exposure to changes in interest rates relate primarily to interest-earning financial assets and interest-bearing financial liabilities. At the end of the financial year, the interest rate profile of the interest-bearing financial instruments based on their nominal amounts was as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Fixed rate instruments						
Financial assets	3,605	2,778	39,431	40,516	43,036	43,294
Financial liabilities	(197,088)	(203,590)	(547,096)	(668,631)	(625,999)	(740,405)
Effect of interest rate swaps	–	–	(278,485)	(268,082)	(278,485)	(268,082)
Effect of cross-currency interest rate swaps	–	–	(90,240)	(143,180)	(90,240)	(143,180)
	(193,483)	(200,812)	(876,390)	(1,039,377)	(951,688)	(1,108,373)
Variable rate instruments						
Financial liabilities	(314,526)	(236,405)	(1,188,085)	(872,246)	(1,280,015)	(962,997)
Effect of interest rate swaps	–	–	278,485	268,082	278,485	268,082
Effect of cross-currency interest rate swaps	–	–	90,240	143,180	90,240	143,180
	(314,526)	(236,405)	(819,360)	(460,984)	(911,290)	(551,735)

Fair value sensitivity analysis for fixed rate instruments

The Stapled Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the financial year would not affect total return.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Interest rate risk (cont'd)

A change of 100 basis points (bp) in interest rate at the end of the financial year would increase/(decrease) profit or loss (before any tax effects) of the HBT Group and total return (before any tax effects) of the H-REIT Group and the Stapled Group, by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Profit or loss	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	2024	2024	2023	2023
	$'000	$'000	$'000	$'000
HBT Group				
Variable rate instruments				
Loans and borrowings	(3,145)	3,145	(2,364)	2,364

	Total return		Total return	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	2024	2024	2023	2023
	$'000	$'000	$'000	$'000
H-REIT Group				
Variable rate instruments				
Loans and borrowings	(11,881)	11,881	(8,722)	8,722
Interest rate swaps	2,785	(2,785)	2,681	(2,681)
Cross-currency interest rate swaps	902	(902)	1,432	(1,432)
Cash flow sensitivity (net)	(8,194)	8,194	(4,609)	4,609
Stapled Group				
Variable rate instruments				
Loans and borrowings	(12,800)	12,800	(9,630)	9,630
Interest rate swaps	2,785	(2,785)	2,681	(2,681)
Cross-currency interest rate swaps	902	(902)	1,432	(1,432)
Cash flow sensitivity (net)	(9,113)	9,113	(5,517)	5,517

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Foreign currency risk

The Stapled Group has exposure to foreign currency risk as a result of its operations in several countries. The currencies giving rise to this risk are the Australian Dollar, New Zealand Dollar, Euro, United States Dollar, Japanese Yen and Sterling Pound.

In order to manage the foreign currency risk, the H-REIT Manager and the HBT Trustee-Manager adopt foreign currency risk management strategies that may include:

- entering into forward foreign exchange contracts to hedge the foreign currency income from the overseas assets as a natural hedge;
- the use of certain foreign currency denominated borrowings to match the capital values of the overseas assets as a natural hedge, whenever possible; and
- the use of certain foreign currency denominated borrowings to hedge against the currency risk arising from the Stapled Group's net investments in certain subsidiaries in Australia, Germany, Japan, Maldives and United Kingdom. These borrowings are designated as net investment hedges.

Hedge accounting – Net investment hedges

At the end of the financial year, the HBT Group, the H-REIT Group and the Stapled Group have designated certain of their loans, with carrying amounts of $185.3 million (2023: $50.4 million), $69.2 million (2023: $140.7 million) and $333.7 million (2023: $282.7 million) respectively as net investment hedges, which mitigate the currency risk arising from certain subsidiaries' net assets. The cumulative net foreign exchange differences in respect of the Australia, Germany, Japan, Maldives and United Kingdom net investment hedges which remained in the unitholders' funds are as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Net foreign exchange gain	5,647	5,113	7,587	7,272	17,537	17,209

To assess hedge effectiveness, the HBT Group, the H-REIT Group and the Stapled Group determine the economic relationship between the hedge instrument and the hedge item by comparing changes in the carrying amount of debt that is attributable to a change in the spot rate with changes in the investment in the foreign operation due to movement in the spot rate (the offset method). The HBT Group, the H-REIT Group and the Stapled Group's policy is to hedge the net investment only to the extent of debt principal.

During the financial year, the HBT Group, the H-REIT Group and the Stapled Group have recognised net foreign exchange differences in OCI or unitholders' funds (as the case may be) in respect of bank loans which were used as hedges for net investments in Japan, Maldives and United Kingdom:

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Net foreign exchange gain/(loss)	534	(1,623)	315	2,378	328	(2,039)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Foreign currency risk (cont'd)

The exposure of the HBT Group, the H-REIT Group and the Stapled Group to foreign currencies is as follows based on notional amounts:

	United States Dollar		Japanese Yen		Sterling Pound	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
HBT Group						
Trade and other receivables	8	8	22	24	39,141	4,872
Cash and cash equivalents	–	–	–	–	1,865	465
Trade and other payables	–	–	–	–	(440)	(5,843)
Bank loans	–	–	–	–	(91,930)	(90,752)
Loans from related entity	(21,689)	(19,925)	–	–	(160,898)	(123,430)
Net exposure	(21,681)	(19,917)	22	24	(212,262)	(214,688)

	Australian Dollar		New Zealand Dollar		Euro		United States Dollar		Japanese Yen		Sterling Pound	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group												
Trade and other receivables	11,365	8,040	16,954	6,516	17,016	13,479	87,742	76,460	–	–	162,156	124,669
Cash and cash equivalents	987	2,965	127	1,459	18	18	1,319	72	1,972	2,689	2,664	2,614
Trade and other payables	(604)	(642)	(264)	(287)	(426)	(112)	(1,732)	(1,410)	(27)	(30)	(2,698)	(940)
Bank loans	–	–	–	–	(121,698)	(3,006)	(59,531)	(196,493)	(28,220)	(30,411)	(264,638)	(232,746)
Net statements of financial position exposure	11,748	10,363	16,817	7,688	(105,090)	10,379	27,798	(121,371)	(26,275)	(27,752)	(102,516)	(106,403)
Foreign currency forward contracts	(1,481)	(1,084)	(1,804)	(1,306)	–	–	–	–	–	–	–	(334)
Cross-currency interest rate swap	–	–	–	–	(90,400)	(52,940)	–	52,940	–	–	–	–
Net exposure	10,267	9,279	15,013	6,382	(195,490)	(42,561)	27,798	(68,431)	(26,275)	(27,752)	(102,516)	(106,737)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Foreign currency risk (cont'd)

	Australian Dollar		New Zealand Dollar		Euro		United States Dollar		Japanese Yen		Sterling Pound	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group												
Trade and other receivables	11,365	8,040	16,954	6,516	17,016	13,479	66,061	56,543	22	24	40,399	6,111
Cash and cash equivalents	987	2,965	127	1,459	18	18	1,319	72	1,972	2,689	4,529	3,079
Trade and other payables	(604)	(642)	(264)	(287)	(426)	(112)	(1,732)	(1,410)	(27)	(30)	(3,138)	(6,783)
Bank loans	–	–	–	–	(121,698)	(3,006)	(59,531)	(196,493)	(28,220)	(30,411)	(356,568)	(323,498)
Net statements of financial position exposure	11,748	10,363	16,817	7,688	(105,090)	10,379	6,117	(141,288)	(26,253)	(27,728)	(314,778)	(321,091)
Foreign currency forward contracts	(1,481)	(1,084)	(1,804)	(1,306)	–	–	–	–	–	–	–	(334)
Cross-currency interest rate swap	–	–	–	–	(90,400)	(52,940)	–	52,940	–	–	–	–
Net exposure	10,267	9,279	15,013	6,382	(195,490)	(42,561)	6,117	(88,348)	(26,253)	(27,728)	(314,778)	(321,425)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Foreign currency risk (cont'd)

Sensitivity analysis

A 10% strengthening of the Singapore dollar against the following currencies at the end of the financial year would increase/(decrease) profit or loss and other comprehensive income (before any tax effects) of the HBT Group and total return and unitholders' funds (before any tax effects) of the H-REIT Group and the Stapled Group, by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	HBT Group		H-REIT Group		Stapled Group	
	Profit or loss	Other comprehensive income	Total return	Unitholders' funds	Total return	Unitholders' funds
	$'000	$'000	$'000	$'000	$'000	$'000
2024						
Australian Dollar	–	–	(1,027)	–	(1,027)	–
New Zealand Dollar	–	–	(1,501)	–	(1,501)	–
Euro	–	–	19,549	–	19,549	–
United States Dollar	2,168	–	(2,780)	–	(612)	–
Japanese Yen	(2)	–	(194)	2,822	(196)	2,822
Sterling Pound	2,699	18,527	6,149	4,103	932	30,546
2023						
Australian Dollar	–	–	(928)	–	(928)	–
New Zealand Dollar	–	–	(638)	–	(638)	–
Euro	–	–	4,256	–	4,256	–
United States Dollar	1,992	–	(1,760)	8,603	232	8,603
Japanese Yen	(2)	–	(266)	3,041	(268)	3,041
Sterling Pound	16,427	5,042	10,674	3,879	14,063	18,080

A 10% weakening of the Singapore dollar against the above currencies at the end of the financial year would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) 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			
	Note	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
HBT Group								
2024								
Financial assets not measured at fair value								
Trade and other receivables [1]	8	20,312	–	20,312				
Cash and cash equivalents	9	21,713	–	21,713				
		42,025	–	42,025				
Financial liabilities not measured at fair value								
Unsecured bank loan	10	–	(91,644)	(91,644)	–	(91,644)	–	(91,644)
Loans from related entity	10	–	(222,596)	(222,596)				
Trade and other payables [2]	12	–	(69,797)	(69,797)				
Rental deposits	12	–	(34)	(34)	–	–	(34)	(34)
		–	(384,071)	(384,071)				
HBT Group								
2023								
Financial assets not measured at fair value								
Trade and other receivables [1]	8	22,287	–	22,287				
Cash and cash equivalents	9	14,798	–	14,798				
		37,085	–	37,085				
Financial liabilities not measured at fair value								
Unsecured bank loan	10	–	(90,326)	(90,326)	–	(90,326)	–	(90,326)
Loans from related entity	10	–	(145,652)	(145,652)				
Trade and other payables [2]	12	–	(63,567)	(63,567)				
Rental deposits	12	–	(5)	(5)	–	–	(5)	(5)
		–	(299,550)	(299,550)				

[1] Excluding prepayments

[2] Excluding deferred income and rental deposits

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

		Carrying amount				Fair value			
	Note	Amortised cost	Fair value – hedging instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group									
2024									
Financial assets not measured at fair value									
Finance lease receivables	7	4,345	–	–	4,345				
Trade and other receivables [1]	8	263,723	–	–	263,723				
Cash and cash equivalents	9	56,575	–	–	56,575				
		324,643	–	–	324,643				
Financial assets measured at fair value									
Financial derivative assets	11	–	8,720	–	8,720	–	8,720	–	8,720
Financial liabilities measured at fair value									
Financial derivative liabilities	11	–	(727)	–	(727)	–	(727)	–	(727)
Financial liabilities not measured at fair value									
Secured TMK bond	10	–	–	(26,654)	(26,654)	–	(26,495)	–	(26,495)
Secured bank loan	10	–	–	(62,142)	(62,142)	–	(61,824)	–	(61,824)
Unsecured bank loans	10	–	–	(1,157,606)	(1,157,606)	–	(1,152,038)	–	(1,152,038)
Trade and other payables [2]	12	–	–	(37,893)	(37,893)				
Rental deposits	12	–	–	(11,990)	(11,990)	–	–	(11,632)	(11,632)
		–	–	(1,296,285)	(1,296,285)				

[1] Excluding prepayments

[2] Excluding deferred income and rental deposits

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

	Note	Carrying amount				Fair value			
		Amortised cost	Fair value – hedging instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
H-REIT Group									
2023									
Financial assets not measured at fair value									
Finance lease receivables	7	5,145	–	–	5,145				
Trade and other receivables [1]	8	186,407	–	–	186,407				
Cash and cash equivalents	9	57,202	–	–	57,202				
		248,754	–	–	248,754				
Financial assets measured at fair value									
Financial derivative assets	11	–	14,510	–	14,510	–	14,510	–	14,510
Financial liabilities measured at fair value									
Financial derivative liabilities	11	–	(1,506)	–	(1,506)	–	(1,506)	–	(1,506)
Financial liabilities not measured at fair value									
Secured TMK bond	10	–	–	(28,582)	(28,582)	–	(28,335)	–	(28,335)
Secured bank loan	10	–	–	(64,170)	(64,170)	–	(62,457)	–	(62,457)
Unsecured bank loans	10	–	–	(969,216)	(969,216)	–	(966,959)	–	(966,959)
Trade and other payables [2]	12	–	–	(44,457)	(44,457)				
Rental deposits	12	–	–	(11,784)	(11,784)	–	–	(11,243)	(11,243)
		–	–	(1,118,209)	(1,118,209)				

[1] Excluding prepayments

[2] Excluding deferred income and rental deposits

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

		Carrying amount				Fair value			
	Note	Amortised cost	Fair value – hedging instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group									
2024									
Financial assets not measured at fair value									
Finance lease receivables	7	4,345	–	–	4,345				
Trade and other receivables [1]	8	25,397	–	–	25,397				
Cash and cash equivalents	9	78,288	–	–	78,288				
		108,030	–	–	108,030				
Financial assets measured at fair value									
Financial derivative assets	11	–	8,720	–	8,720	–	8,720	–	8,720
Financial liabilities measured at fair value									
Financial derivative liabilities	11	–	(727)	–	(727)	–	(727)	–	(727)
Financial liabilities not measured at fair value									
Secured TMK bond	10	–	–	(26,654)	(26,654)	–	(26,495)	–	(26,495)
Secured bank loan	10	–	–	(62,142)	(62,142)	–	(61,824)	–	(61,824)
Unsecured bank loans	10	–	–	(1,249,250)	(1,249,250)	–	(1,243,681)	–	(1,243,681)
Trade and other payables [2]	12	–	–	(53,980)	(53,980)				
Rental deposits	12	–	–	(12,024)	(12,024)	–	–	(11,666)	(11,666)
		–	–	(1,404,050)	(1,404,050)				

[1] Excluding prepayments

[2] Excluding deferred income and rental deposits

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

	Note	Carrying amount				Fair value			
		Amortised cost	Fair value – hedging instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Stapled Group									
2023									
Financial assets not measured at fair value									
Finance lease receivables	7	5,145	–	–	5,145				
Trade and other receivables [1]	8	20,785	–	–	20,785				
Cash and cash equivalents	9	72,000	–	–	72,000				
		97,930	–	–	97,930				
Financial assets measured at fair value									
Financial derivative assets	11	–	14,510	–	14,510	–	14,510	–	14,510
Financial liabilities measured at fair value									
Financial derivative liabilities	11	–	(1,506)	–	(1,506)	–	(1,506)	–	(1,506)
Financial liabilities not measured at fair value									
Secured TMK bond	10	–	–	(28,582)	(28,582)	–	(28,335)	–	(28,335)
Secured bank loan	10	–	–	(64,170)	(64,170)	–	(62,457)	–	(62,457)
Unsecured bank loans	10	–	–	(1,059,542)	(1,059,542)	–	(1,057,285)	–	(1,057,285)
Trade and other payables [2]	12	–	–	(55,975)	(55,975)				
Rental deposits	12	–	–	(11,789)	(11,789)	–	–	(11,248)	(11,248)
		–	–	(1,220,058)	(1,220,058)				

[1] Excluding prepayments

[2] Excluding deferred income and rental deposits

Measurement of fair values

The following show the valuation techniques used in measuring Level 2 and Level 3 fair values.

Financial instruments measured at fair value

Financial derivatives

The fair values of forward foreign exchange contracts, cross-currency interest rate swaps and interest rate swap are based on banks' quotes (Level 2 fair values). Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

Financial instruments not measured at fair value

Other non-derivative financial assets and liabilities

The fair values of TMK bond, bank loans and rental deposits are calculated using the discounted cash flow technique based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26 COMMITMENTS

		HBT Group		H-REIT Group		Stapled Group	
		2024	2023	2024	2023	2024	2023
		$'000	$'000	$'000	$'000	$'000	$'000
(a)	Capital expenditure contracted but not provided for	763	13,432	9,451	9,842	10,214	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 BTR. The development project achieved its practical completion on 4 June 2024 (Note 5).

(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% (2023: 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 the end of the financial year, the H-REIT Group and the Stapled Group are committed to incur capital expenditure of $5,120,000 (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 statements of total return (as the case may be). No variable lease payments were recorded for the years ended 31 December 2024 and 2023.

(d) H-REIT holds a leasehold building, with a remaining 99-year 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 statements of total return (as the case may be). For the year ended 31 December 2024, the Stapled Group recorded variable lease payments of $1,284,000 (2023: $1,523,000).

(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 2027.
- 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 2027.

(f) In 2024, HBT's subsidiary, CDL HBT Oceanic Maldives Private Limited, has entered into an agreement with a third party carrier to purchase a minimum number of seaplane charter flights, subject to an annual charge of $1.7 million (US$1.3 million). The agreement is for a period of 5 years to 31 October 2029, and it is cancellable by either party after 31 October 2026 without any cause.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27 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 the H-REIT Trustee's fee have been paid or are payable to the H-REIT Manager and the H-REIT Trustee respectively.

As at the reporting date, the HBT Trustee-Manager, the H-REIT Manager and the master lessees of Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel, Studio M Hotel and Grand Millennium Auckland are indirect wholly-owned subsidiaries of a substantial holder of the Stapled Securities in the Stapled Group.

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

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Related corporations of the H-REIT Manager and the HBT Trustee-Manager						
Acquisition fee paid/payable	1,616	–	640	–	2,256	–
Rental income received/receivable	–	–	79,659	79,214	79,659	79,214
Rental expense paid/payable	64	81	1,056	864	1,120	945
Shared service expenses paid/ payable	193	163	583	560	776	723
Corporate secretarial services fee paid/payable	64	57	118	103	182	160
Asset management fees	154	113	–	–	154	113
Advisory fee paid/payable	35	62	–	–	35	62

28 FINANCIAL RATIOS

	H-REIT Group		Stapled Group	
	2024	2023	2024	2023
	%	%	%	%
Expenses to weighted average net assets [1]				
- including performance component of H-REIT Manager's management fees [2]	0.89	0.94	1.28	1.13
- excluding performance component of H-REIT Manager's management fees [2]	0.60	0.62	0.98	0.79
Portfolio turnover rate [3]	3.54	–	5.26	–

(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.

(3) The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the H-REIT Group and the Stapled Group expressed as a percentage of daily average net asset value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 ACQUISITIONS

On 6 November 2024, the HBT Group completed the acquisition of Hotel Indigo Exeter (the "**Hotel**") and two retail units (the "**Retail Units**") through its wholly-owned subsidiaries, CDL HBT Investments (III) Property Limited and CDL HBT Investments (III) Retail Limited respectively.

On 19 December 2024, the H-REIT Group also completed acquisition of Benson Yard, a Purpose-Built Student Accommodation in Liverpool (the "**Residential**"), through its wholly-owned subsidiary, CDL HREIT Investments (IV) Property Limited. The Residential comes with a vacant land adjacent to Benson Yard which has a notional amount of £1.

Hotel

The Hotel comprises land and building. The acquisition of the Hotel was together with chattels and equipment, business intellectual property rights, business information and contracts, inventories, and organised workforce (collectively the "**Acquired Hotel**"). The acquired inputs and processes significantly contributed to the ability to generate revenue. Therefore, the Acquired Hotel is a business. Accordingly, the Acquired Hotel has been accounted for as a business combination by the HBT Group and the Stapled Group.

From 6 November 2024 to 31 December 2024, the Acquired Hotel contributed hotel revenue of $1,413,000 and loss before tax or total return before tax (as the case may be) of $155,000 to the HBT Group's and the Stapled Group's financial results.

For the reporting year, the Acquired Hotel was undergoing gestation and if the acquisition had occurred on 1 January 2024,

- the consolidated revenue of the HBT Group would have been $151,724,000 and the consolidated loss for the year before tax of the HBT Group would have been $22,574,000.
- the consolidated revenue of the Stapled Group would have been $267,377,000 and the consolidated total return for the year before tax of the Stapled Group would have been $19,701,000.

In determining these amounts, the HBT Trustee-Manager and the H-REIT Manager have assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2024.

Consideration transferred

	$'000
Total consideration transferred	26,200

Acquisition-related costs

A total acquisition-related costs of $2,403,000 (£1,396,000) have been recognised in the statement of profit or loss or the statement of total return (as the case may be), out of which:

- acquisition fee of $334,000 has been included in 'HBT Trustee-Manager's acquisition fee'; and
- professional due diligence costs of $2,069,000 have been included in 'other expenses'.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 ACQUISITIONS (CONT'D)

Hotel (cont'd)

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised fair value amounts of assets acquired and liabilities assumed at the date of acquisition.

	$'000
Property, plant and equipment	30,643
Inventory	69
Other receivables	8
Trade and other payables	(466)
Deferred tax liabilities	(1,019)
Total identifiable net assets	29,235

Identifiable net assets have been determined on a provisional basis. If new information obtained within one year from the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired (mainly land and building) were as follows:

Assets acquired	Valuation techniques
Land and building	*Discounted cash flows (DCF) and Income capitalisation method:* The DCF method involves the present value of (i) projected earnings (net of capital expenditure where appropriate) for the Hotel over 10 years and (ii) the value of the Hotel derived from the capitalised earnings in the 10th year, using an appropriate discount rate. Income capitalisation method involves capitalising the projected earnings for the Hotel in a stabilised trading year and making allowances for the income shortfall up to stabilisation/capital expenditure required.

Bargain Purchase

Bargain purchase arising from the Acquired Hotel has been recognised as follows:

	$'000
Total consideration transferred	26,200
Fair value of identifiable net assets	(29,235)
Gain from a bargain purchase	(3,035)

The gain from a bargain purchase of the Acquired Hotel relates to the lower consideration transferred as compared to the fair value of the identifiable net assets determined by the independent valuer. The gain from a bargain purchase was recognised in the statement of profit or loss or the statement of total return (as the case may be) and is also disclosed under the UK segment (Note 24).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 ACQUISITIONS (CONT'D)

Retail Units

The HBT Group purchased the Retail Units at cash consideration of $6.9 million (£4.0 million) and has incurred acquisition-related costs of $0.3 million (£0.2 million). These costs have been capitalised and included in 'investment properties'.

Residential

The acquisition of the Residential was together with chattels and equipment, service contracts and workforce under property management contract. The acquired processes do not significantly contribute to the ability to generate revenue. Therefore, the Residential does not constitute a business and it has been accounted for as acquisition of property by the H-REIT Group.

The H-REIT Group purchased the Residential at cash consideration of $64.0 million (£37.3 million) and has incurred acquisition-related costs of $5.6 million (£3.3 million). These costs have been capitalised and included in 'investment properties'.

Effect of the acquisitions on cash flows

The following table shows the amounts recognised in statements of cash flows for the acquisitions mentioned above:

	HBT Group		H-REIT Group
	Acquired Hotel	Retail Units	Residential
	$'000	$'000	$'000
Total consideration transferred	26,200	6,833	63,273
Add: Acquisition-related costs	2,403	340	5,646
Less: Acquisition-related costs not yet paid	(731)	–	(1,800)
Net cash outflow on acquisitions	27,872	7,173	67,119

30 LEASES

(i) Leases as lessee

The HBT Group, the H-REIT Group and the Stapled Group mainly lease land and buildings. The leases typically run for periods ranging from 2 to 197 years (2023: 2 to 197 years), some with options to renew after the lease expiry dates. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the HBT Group, the H-REIT Group and the Stapled Group are restricted from entering into any sub-lease arrangements.

Some of the leases of land and building were entered into many years ago.

One of the leased properties has been sub-let by the H-REIT Group and the Stapled Group. The sub-lease is classified as a finance lease.

Information about leases for which the HBT Group, the H-REIT Group and the Stapled Group are lessees is presented below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(i) Leases as lessee (cont'd)

Right-of-use assets

ROU assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment.

	Leasehold land $'000	Building $'000	Office equipment $'000	Motor vehicles $'000	Total $'000
HBT Group					
2024					
At 1 January	36,676	75,342	19	84	112,121
Adjustment to ROU assets	–	1,445	–	(42)	1,403
Depreciation charge	(2,916)	(6,528)	(8)	(42)	(9,494)
Translation differences	810	(1,590)	–	–	(780)
At 31 December	34,570	68,669	11	–	103,250
2023					
At 1 January	39,791	82,057	28	–	121,876
Addition of ROU assets	–	–	–	126	126
Adjustment to ROU assets	–	3	–	–	3
Depreciation charge	(2,926)	(6,567)	(9)	(42)	(9,544)
Translation differences	(189)	(151)	–	–	(340)
At 31 December	36,676	75,342	19	84	112,121

	Building $'000
H-REIT Group	
2024	
At 1 January	–
Depreciation charge	–
At 31 December	–
2023	
At 1 January	6
Depreciation charge	(6)
At 31 December	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(i) Leases as lessee (cont'd)

Right-of-use assets (cont'd)

	Leasehold land	Building	Office equipment	Motor vehicles	Total
	$'000	$'000	$'000	$'000	$'000
Stapled Group					
2024					
At 1 January	83,792	7,265	19	84	91,160
Adjustment to ROU assets	–	1,445	–	(42)	1,403
Depreciation charge	(1,100)	(144)	(8)	(42)	(1,294)
Revaluation surplus recognised in unitholders' funds	343	–	–	–	343
Translation differences	692	89	–	–	781
At 31 December	83,727	8,655	11	–	92,393
2023					
At 1 January	80,280	7,170	28	–	87,478
Addition of ROU assets	–	–	–	126	126
Adjustment to ROU assets	–	3	–	–	3
Depreciation charge	(1,042)	(140)	(9)	(42)	(1,233)
Revaluation surplus recognised in unitholders' funds	2,051	–	–	–	2,051
Reversal of revaluation deficit recognised in statement of total return	2,572	–	–	–	2,572
Translation differences	(69)	232	–	–	163
At 31 December	83,792	7,265	19	84	91,160

Amounts recognised in profit or loss or the statements of total return (as the case may be)

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Interest on lease liabilities	4,339	4,589	4,429	4,255	5,152	4,926
Expenses relating to short term leases	–	–	326	466	326	466

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(i) Leases as lessee (cont'd)

Amounts recognised in statements of cash flows

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Payment of lease liabilities	(8,832)	(7,978)	(957)	(718)	(1,099)	(853)
Finance costs paid	(4,339)	(4,589)	(4,429)	(4,255)	(5,152)	(4,926)
Total cash outflow for leases	(13,171)	(12,567)	(5,386)	(4,973)	(6,251)	(5,779)

Extension options

Some property leases contain extension options exercisable by the HBT Group and the H-REIT Group before the end of the non-cancellable contract period. Where practicable, the HBT Group and the H-REIT Group seek to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the HBT Group and the H-REIT Group and not by the lessors. The HBT Group and the H-REIT Group assess at lease commencement date whether it is reasonably certain to exercise the extension options. The HBT Group and the H-REIT Group reassess whether it is reasonably certain to exercise the options if there is a significant event of significant changes in circumstances within their control.

The H-REIT Group has estimated the potential future lease payments that are not reflected in the measurement of lease liabilities, should they exercise the extension options, would result in an increase in future cash outflows of $64.3 million (2023: $64.4 million).

Variable lease payments

HBT's subsidiary, AKO GK, leases the Japan hotel properties from CDLHT Hanei Tokutei Mokuteki Kaisha, subsidiary of H-REIT for 1-year periods, renewable on an annual basis. Monthly lease payments under these leases are variable, equal to the gross operating profit of the hotel properties in the preceding month, subject to certain adjustments. Lease liabilities are not recognised in respect of these leases as the variable monthly lease payments are not subject to a minimum value.

(ii) Leases as lessor

The H-REIT Group and the Stapled Group lease out their investment properties consisting of hotels, resorts, residentials and retail properties. All leases are classified as operating leases from a lessor perspective with the exception of a sub-lease which has been classified as a finance sub-lease.

Finance lease

The H-REIT Group and the Stapled Group have sub-leased a building in which the ROU asset arising from the head lease has been presented as part of investment property. The sub-lease was assessed to be a finance lease under FRS 116/SFRS(I) 16. Consequently, the H-REIT Group and the Stapled Group derecognised the ROU asset relating to the head lease and recognised finance lease receivables. During the term of the sub-lease, the H-REIT Group and the Stapled Group recognise both interest income on the sub-lease and interest expense on the head lease.

During the financial year, the H-REIT Group and the Stapled Group recognised interest income on the finance lease receivables of $256,000 (2023: $151,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(ii) Leases as lessor (cont'd)

Finance lease (cont'd)

The following table sets out a maturity analysis of finance lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	2024 $'000	2023 $'000
H-REIT Group and Stapled Group		
Within 1 year	1,120	1,056
1 to 2 years	1,184	1,120
2 to 3 years	1,248	1,184
3 to 4 years	1,287	1,248
4 to 5 years	–	1,287
Total undiscounted finance lease receivables	4,839	5,895
Unearned finance income	(494)	(750)
Net investment in the lease	4,345	5,145

Operating lease

The H-REIT Group and the Stapled Group lease out their investment properties. The H-REIT Group and the Stapled Group have classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The portfolio statements set out information about the operating leases of investment properties.

Rental revenue from investment property recognised by the HBT Group, the H-REIT Group and the Stapled Group is disclosed in Note 17.

In addition, the H-REIT Group also leases out its Japan properties which are classified as property, plant and equipment to the HBT Group for 1-year periods, renewable on an annual basis. Monthly lease payments receivable under these leases are variable, equal to the gross operating profit of the hotel properties in the preceding month, subject to certain adjustments. The variable monthly lease payments are not subject to a minimum value.

The rental revenue from property, plant and equipment recognised by the H-REIT Group in respect of these leases during the year was $4,750,000 (2023: $3,874,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(ii) Leases as lessor (cont'd)

Operating lease (cont'd)

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Operating leases under FRS 116/SFRS(I) 16

	HBT Group		H-REIT Group		Stapled Group	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Within 1 year	4,219	70	75,720	68,311	67,357	56,006
1 to 2 years	15	–	57,285	69,788	44,718	56,962
2 to 3 years	–	–	40,859	54,634	28,277	41,808
3 to 4 years	–	–	39,267	38,705	26,685	25,879
4 to 5 years	–	–	39,094	38,300	26,512	25,474
More than 5 years	–	–	219,462	264,113	164,201	192,025
	4,234	70	471,687	533,851	357,750	398,154

The above operating lease receivables are based on the fixed component of the rent receivable under the lease agreements, adjusted for increases in rent where such increases have been provided for under the lease agreements.

31 GROUP ENTITIES

The HBT Group and the H-REIT Group have equity investments in subsidiaries.

Details of the significant subsidiaries are as follows:

Name of subsidiaries	Place of incorporation	Effective equity interest held by the H-REIT Group and the Stapled Group	
		2024	2023
		%	%
Subsidiaries of H-REIT			
[1] CDLHT (BVI) One Ltd	British Virgin Islands	100	100
[1] CDLHT (BVI) Trust One	–	100	100
[3] Sunshine Hotels Australia Pty Ltd	Australia	100	100
[1] CDLHT Sunshine Limited	British Virgin Islands	100	100
[1] CDLHT Sunrise Limited	British Virgin Islands	100	100
[1] CDLHT Sanctuary Limited	British Virgin Islands	100	100
[2] CDLHT MTN Pte. Ltd.	Singapore	100	100
[2] CDLHT Oceanic Holdings Pte. Ltd.	Singapore	100	100
[2] CDLHT Hanei One Pte. Ltd.	Singapore	100	100
[2] CDLHT Hanei Two Pte. Ltd.	Singapore	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 GROUP ENTITIES (CONT'D)

Name of subsidiaries	Place of incorporation	Effective equity interest held by the H-REIT Group and the Stapled Group	
		2024	2023
		%	%
Subsidiaries of H-REIT (cont'd)			
[2] CDLHT Two Pte. Ltd.	Singapore	100	100
[2] CDLHT Munich One Pte. Ltd.	Singapore	100	100
[2] CDLHT Munich Two Pte. Ltd.	Singapore	100	100
[2] CDLHT CFM One Pte. Ltd.	Singapore	100	100
[2] CDLHT CFM Two Pte. Ltd.	Singapore	100	100
[3] CDL HREIT Investments (II) Limited	England and Wales	100	100
Subsidiaries of CDLHT Sunshine Limited			
[1] Sun Two Investments Limited	British Virgin Islands	100	100
[1] Sun Three Investments Limited	British Virgin Islands	100	100
[1] Sun Four Investments Limited	British Virgin Islands	100	100
Subsidiary of Sun Three Investments Limited			
[1] Sun Trust Three	–	100	100
Subsidiary of Sun Four Investments Limited			
[1] Sun Trust Four	–	100	100
Subsidiary of CDLHT Sanctuary Limited			
[3] Sanctuary Sands Maldives Private Limited	Maldives	100	100
Subsidiary of CDLHT Oceanic Holdings Pte. Ltd.			
[1] CDLHT Oceanic Ltd	British Virgin Islands	100	100
Subsidiary of CDLHT Oceanic Ltd			
[1] CDLHT Oceanic Two Ltd	British Virgin Islands	100	100
Subsidiary of CDLHT Oceanic Two Ltd			
[3] CDLHT Oceanic Maldives Private Limited	Maldives	100	100
Subsidiary of CDLHT Hanei Two Pte. Ltd.			
[3] CDLHT Hanei Tokutei Mokuteki Kaisha	Japan	100	100
Subsidiaries of CDLHT Munich One Pte. Ltd.			
[1] NKS Hospitality I B.V.	Netherlands	94.9	94.9
[1] Munich Furniture B.V.	Netherlands	94.9	94.9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 GROUP ENTITIES (CONT'D)

Name of subsidiaries	Place of incorporation	Effective equity interest held by the H-REIT Group and the Stapled Group	
		2024	2023
		%	%
Subsidiary of CDLHT CFM One Pte. Ltd.			
[1] CDLHT CFM III B.V.	Netherlands	95.0	95.0
Subsidiary of CDLHT CFM III B.V.			
[1] CDLHT CFM III SRL	Italy	95.0	95.0
Subsidiary of CDLHT CFM III SRL			
[1] NKS Hospitality III SRL	Italy	95.0	95.0
Subsidiaries of CDL HREIT Investments (II) Limited			
[3] CDL HREIT Investments (II) Property Limited	England and Wales	100	100
CDL HREIT Investments (IV) Property Limited	England and Wales	100	–

Name of subsidiaries	Place of incorporation	Effective equity interest held by the HBT Group and the Stapled Group	
		2024	2023
		%	%
Subsidiaries of HBT			
[2] CDL HBT Oceanic Holdings Pte. Ltd.	Singapore	100	100
[2] CDL HBT Hanei Pte. Ltd.	Singapore	100	100
[2] CDL HBT Cambridge City Pte. Ltd.	Singapore	100	100
[2] Gemini Two Pte. Ltd.	Singapore	100	100
[2] CDL HBT Sun Pte. Ltd.	Singapore	100	100
[2] CDL HBT Investments (I) Pte. Ltd.	Singapore	100	100
[2] CDL HBT Investments (III) Pte. Ltd.	Singapore	100	–
[2] CDL HBT Investments (IV) Pte. Ltd.	Singapore	100	–
Subsidiary of CDL HBT Oceanic Holdings Pte. Ltd.			
[1] CDL HBT Oceanic Ltd	British Virgin Islands	100	100
Subsidiary of CDL HBT Oceanic Ltd			
[1] CDL HBT Oceanic Two Ltd	British Virgin Islands	100	100
Subsidiary of CDL HBT Oceanic Two Ltd			
[3] CDL HBT Oceanic Maldives Private Limited	Maldives	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 GROUP ENTITIES (CONT'D)

Name of subsidiaries	Place of incorporation	Effective equity interest held by the HBT Group and the Stapled Group	
		2024 %	2023 %
Subsidiary of CDL HBT Hanei Pte. Ltd.			
[3] AKO GK	Japan	100	100
Subsidiaries of CDL HBT Cambridge City Pte. Ltd.			
[3] CDL HBT Cambridge City (UK) Ltd	England and Wales	100	100
[4] CDL HBT North Ltd	England and Wales	100	100
Subsidiary of CDL HBT Cambridge City (UK) Ltd			
[3] CDL HBT Cambridge City Hotel (UK) Ltd	England and Wales	100	100
Subsidiary of CDL HBT North Ltd			
[4] The Lowry Hotel Ltd	England and Wales	100	100
Subsidiaries of CDL HBT Sun Pte. Ltd.			
[3] CDL HBT Sun Three Pty Ltd	Australia	100	100
[3] CDL HBT Sun Four Pty Ltd	Australia	100	100
Subsidiary of CDL HBT Investments (I) Pte. Ltd.			
[4] CDL HBT Investments (I) Limited	England and Wales	100	100
Subsidiaries of CDL HBT Investments (I) Limited			
[4] CDL HBT Investments (I) Property Limited	England and Wales	100	100
[4] CDL HBT Investments (I) Operations Limited	England and Wales	100	100
Subsidiaries of CDL HBT Investments (III) Pte. Ltd.			
CDL HBT Investments (III) Property Limited	England and Wales	100	–
CDL HBT Investments (III) Retail Limited	England and Wales	100	–
Subsidiary of CDL HBT Investments (IV) Pte. Ltd.			
CDL HBT Investments (IV) Property Limited	England and Wales	100	–

[1] Not required to be audited under the laws of the country of incorporation/constitution.
[2] Audited by KPMG LLP, Singapore.
[3] Audited by other member firms of KPMG International.
[4] Audited by BDO LLP, United Kingdom.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

32 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 2.81 cents per Stapled Security to Stapled Securityholders in respect of the period from 1 July 2024 to 31 December 2024.

(ii) 1,796,197 Stapled Securities, amounting to $1,528,000, were issued as satisfaction of the H-REIT Manager's base fee for the period from 1 October 2024 to 31 December 2024.

(iii) 241,129 Stapled Securities, amounting to $205,000, were issued as satisfaction of the HBT Trustee-Manager's base fee for the period from 1 October 2024 to 31 December 2024.

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS OF CDL HOSPITALITY TRUSTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

The information in this Appendix IV has been extracted and reproduced from the unaudited condensed interim financial statements of the H-REIT Group, the HBT Group and the Stapled Group for the six-month period ended 30 June 2025 and has not been specifically prepared for inclusion in this Information Memorandum.

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 2025

Statements of Financial Position
As at 30 June 2025

	Note	HBT Group 30/06/2025 $'000	HBT Group 31/12/2024 $'000	H-REIT Group 30/06/2025 $'000	H-REIT Group 31/12/2024 $'000	Stapled Group 30/06/2025 $'000	Stapled Group 31/12/2024 $'000
Non-current assets							
Investment properties	3	167,474	163,430	2,849,442	2,828,851	2,500,460	2,478,796
Property, plant and equipment	4	310,211	313,894	82,952	82,402	844,496	846,454
Finance lease receivables		–	–	2,940	3,435	2,940	3,435
Deferred tax assets		865	795	763	727	1,208	1,522
Financial derivative assets		–	–	4,994	8,065	4,994	8,065
Other receivables		367	529	230,918	222,745	516	677
		478,917	478,648	3,172,009	3,146,225	3,354,614	3,338,949
Current assets							
Inventories		2,157	2,501	–	–	2,157	2,501
Finance lease receivables		–	–	968	910	968	910
Trade and other receivables		22,540	24,049	42,575	43,290	28,765	31,298
Financial derivative assets		–	–	–	655	–	655
Cash and cash equivalents		20,874	21,713	59,797	56,575	80,671	78,288
		45,571	48,263	103,340	101,430	112,561	113,652
Total assets		524,488	526,911	3,275,349	3,247,655	3,467,175	3,452,601
Non-current liabilities							
Loans and borrowings	5	426,136	422,040	1,094,030	907,844	1,206,562	1,017,730
Financial derivative liabilities		–	–	3,264	548	3,264	548
Other payables		33	57	12,460	12,099	12,493	12,156
Deferred tax liabilities		25,008	26,058	21,406	21,203	49,567	49,548
		451,177	448,155	1,131,160	941,694	1,271,886	1,079,982
Current liabilities							
Loans and borrowings	5	9,251	9,333	321,553	461,300	321,610	461,348
Trade and other payables		74,105	75,128	35,645	41,267	56,760	62,685
Financial derivative liabilities		–	–	5,234	179	5,234	179
Provision for taxation		704	2,290	5,950	5,831	6,654	8,121
		84,060	86,751	368,382	508,577	390,258	532,333
Total liabilities		535,237	534,906	1,499,542	1,450,271	1,662,144	1,612,315
Net (liabilities)/assets		(10,749)	(7,995)	1,775,807	1,797,384	1,805,031	1,840,286

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

Statements of Financial Position (cont'd)
As at 30 June 2025

	Note	HBT Group 30/06/2025 $'000	HBT Group 31/12/2024 $'000	H-REIT Group 30/06/2025 $'000	H-REIT Group 31/12/2024 $'000	Stapled Group 30/06/2025 $'000	Stapled Group 31/12/2024 $'000
Represented by:							
Unitholders' funds		(10,749)	(7,995)	1,767,499	1,789,476	1,796,723	1,832,378
Non-controlling interests		–	–	8,308	7,908	8,308	7,908
		(10,749)	(7,995)	1,775,807	1,797,384	1,805,031	1,840,286
Units/Stapled Securities in issue ('000)	6	1,266,270	1,256,857	1,266,270	1,256,857	1,266,270	1,256,857
Net asset value/Net tangible asset per Unit/Stapled Security ($)	7	(0.0085)	(0.0063)	1.39	1.42	1.41	1.45

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 2025

		HBT Group		H-REIT Group		Stapled Group	
	Note	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
Revenue	8	72,080	70,762	63,451	70,236	125,074	127,348
Property expenses							
Operations and maintenance expenses		(16,874)	(15,537)	(59)	–	(16,933)	(15,537)
Employee benefit expenses		(25,023)	(22,996)	(214)	–	(25,237)	(22,996)
Rental expenses		(4,731)	(7,737)	–	–	(50)	(26)
Property tax		(986)	(678)	(4,137)	(4,012)	(5,123)	(4,690)
Other property expenses		(14,894)	(14,458)	(4,242)	(3,108)	(19,136)	(17,566)
		(62,508)	(61,406)	(8,652)	(7,120)	(66,479)	(60,815)
Net property income		9,572	9,356	54,799	63,116	58,595	66,533
H-REIT Manager's management fee	9	–	–	(6,196)	(6,423)	(6,196)	(6,423)
H-REIT Trustee's fee		–	–	(235)	(220)	(235)	(220)
HBT Trustee-Manager's management fee	9	(729)	(650)	–	–	(729)	(650)
HBT Trustee-Manager's trustee fee		(209)	(182)	–	–	(209)	(182)
Valuation fee		(35)	(39)	(81)	(100)	(116)	(139)
Depreciation		(8,208)	(8,149)	(994)	(907)	(12,637)	(11,032)
Other expenses		(1,706)	(1,883)	(1,738)	(1,698)	(3,445)	(3,582)
Finance income		173	41	4,002	5,858	1,323	2,571
Finance costs		(8,765)	(11,171)	(37,557)	(27,618)	(39,185)	(32,500)
Net finance costs	10	(8,592)	(11,130)	(33,555)	(21,760)	(37,862)	(29,929)
(Loss)/Total return for the period before tax		(9,907)	(12,677)	12,000	32,008	(2,834)	14,376
Tax credit/(expense)	11	1,785	(553)	(2,337)	(2,345)	(1,880)	(2,898)
(Loss)/Total return for the period	12	(8,122)	(13,230)	9,663	29,663	(4,714)	11,478

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 2025

		HBT Group		H-REIT Group		Stapled Group	
	Note	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
(Loss)/Total return attributable to:							
Unitholders		(8,122)	(13,230)	9,495	29,439	(4,882)	11,254
Non-controlling interests		–	–	168	224	168	224
		(8,122)	(13,230)	9,663	29,663	(4,714)	11,478
Earnings per Stapled Security (cents)	13						
Basic						(0.39)	0.90
Diluted						(0.39)	0.90

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

Statement of Comprehensive Income of the HBT Group
Six-month period ended 30 June 2025

	HBT Group	
	Six-month period ended 30/06/2025 $'000	**Six-month period ended 30/06/2024 $'000**
Loss for the period	(8,122)	(13,230)
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Tax effect on revaluation of property, plant and equipment	42	189
	42	189
Items that are or may be reclassified subsequently to profit or loss:		
Translation differences relating to financial statements of foreign subsidiaries	6,934	3,570
Exchange differences on monetary items forming part of net investment in foreign operations	2,099	1,940
Exchange differences on hedge of net investments in foreign operations	(4,290)	(1,098)
	4,743	4,412
Other comprehensive income for the period, net of tax	4,785	4,601
Total comprehensive income for the period	(3,337)	(8,629)

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

Statements of Movements in Unitholders' Funds
Six-month period ended 30 June 2025

	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 2025	109,562	(121)	15,443	2,119	(134,998)	(7,995)	1,789,476	7,908	1,797,384	1,832,378	7,908	1,840,286
Operations												
- (Decrease)/Increase in net assets resulting from operations	–	–	–	–	(8,122)	(8,122)	9,495	168	9,663	(4,882)	168	(4,714)
Revaluation reserve												
- Tax effect on temporary differences of property, plant and equipment	–	–	42	–	–	42	33	–	33	75	–	75
Foreign currency translation reserve												
- Translation differences relating to financial statements of foreign subsidiaries	–	–	–	6,934	–	6,934	594	399	993	5,476	399	5,875
- Exchange differences on monetary items forming part of net investment in foreign operations	–	–	–	2,099	–	2,099	(171)	–	(171)	1,928	–	1,928
- Exchange differences on hedge of net investments in foreign operations	–	–	–	(4,290)	–	(4,290)	(1,510)	–	(1,510)	(8,417)	–	(8,417)
Other comprehensive income	–	–	42	4,743	–	4,785	(1,054)	399	(655)	(938)	399	(539)
Total comprehensive income	–	–	42	4,743	(8,122)	(3,337)	8,441	567	9,008	(5,820)	567	(5,253)
Balance carried forward	109,562	(121)	15,485	6,862	(143,120)	(11,332)	1,797,917	8,475	1,806,392	1,826,558	8,475	1,835,033

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 2025

	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	109,562	(121)	15,485	6,862	(143,120)	(11,332)	1,797,917	8,475	1,806,392	1,826,558	8,475	1,835,033
Transactions with owners, recorded directly in equity												
Contributions by and distributions to owners												
- Distributions to holders of Stapled Securities	–	–	–	–	–	–	(35,375)	(167)	(35,542)	(35,375)	(167)	(35,542)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	–	–	–	–	–	–	4,957	–	4,957	4,957	–	4,957
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	583	–	–	–	–	583	–	–	–	583	–	583
Total contributions by and distributions to owners	583	–	–	–	–	583	(30,418)	(167)	(30,585)	(29,835)	(167)	(30,002)
Total transactions with owners	583	–	–	–	–	583	(30,418)	(167)	(30,585)	(29,835)	(167)	(30,002)
At 30 June 2025	110,145	(121)	15,485	6,862	(143,120)	(10,749)	1,767,499	8,308	1,775,807	1,796,723	8,308	1,805,031

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 2025

	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 temporary differences 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

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 2025

	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												
Contributions by and distributions to owners												
- 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 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 2025

	Note	Stapled Group Six-month period ended 30/06/2025 $'000	Stapled Group Six-month period ended 30/06/2024 $'000
Amount available for distribution to holders of Stapled Securities at the beginning of the period		34,254	38,697
Total return of H-REIT	12 (ii)	1,202	21,059
Loss of HBT	12 (ii)	(9,788)	(10,929)
Net tax adjustments (Note A)		30,249	18,620
		21,663	28,750
Less: Amount retained for working capital		(2,166)	(2,875)
Add: Capital distribution		5,585	5,550
Amount available for distribution to holders of Stapled Securities		59,336	70,122
Distribution to holders of Stapled Securities:			
Distribution of 3.19 cents per Stapled Security for the period from 1/7/2023 to 31/12/2023		–	(39,789)
Distribution of 2.81 cents per Stapled Security for the period from 1/7/2024 to 31/12/2024		(35,375)	–
		(35,375)	(39,789)
Amount available for distribution to holders of Stapled Securities at the end of the period		23,961	30,333
Distribution per Stapled Security (DPS) (cents)		1.98	2.51
Note A – Net tax adjustments comprise:			
Non-tax deductible/(chargeable) items:			
- Amortisation of transaction costs		832	1,041
- Fair value loss/(gain) on financial derivatives		11,405	(2,241)
- Financial expense arising from accretion of non-current rental deposits measured at amortised cost		147	141
- Foreign exchange loss		5,199	5,989
- H-REIT Manager's management fee paid/payable in Stapled Securities		4,957	5,139
- H-REIT Trustee's fee		235	220
- HBT Trustee-Manager's management fee paid/payable in Stapled Securities		583	520
- HBT Trustee-Manager's trustee fee		209	182
- Other items		6,682	7,629
Net tax adjustments		30,249	18,620

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 2025
H-REIT Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2025 [1] $'000	Carrying value at 31/12/2024 [1] $'000	Percentage of total net assets at 30/06/2025 %	Percentage of total net assets at 31/12/2024 %
Investment properties									
Singapore									
Orchard Hotel	Freehold [2]	75 years	56 years	442 Orchard Road	Hotel	517,765	517,000	29.2	28.8
Claymore Connect	Freehold [2]	75 years	56 years	442 Orchard Road	Retail	120,012	120,000	6.8	6.7
Grand Copthorne Waterfront Hotel	Freehold [2]	75 years	56 years	392 Havelock Road	Hotel	429,285	428,000	24.2	23.8
M Hotel	Freehold [2]	75 years	56 years	81 Anson Road	Hotel	272,130	272,000	15.3	15.1
Copthorne King's Hotel	Leasehold	99 years from 1 February 1968	41 years	403 Havelock Road	Hotel	146,062	146,000	8.2	8.1
Studio M Hotel	Leasehold	99 years from 26 February 2007	80 years	3 Nanson Road	Hotel	206,308	206,000	11.6	11.5
W Singapore – Sentosa Cove	Leasehold	99 years from 31 October 2006	80 years	21 Ocean Way	Hotel	388,245	383,101	21.9	21.3
Balance carried forward						2,079,807	2,072,101	117.2	115.3

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

Portfolio Statements (cont'd)
As at 30 June 2025
H-REIT Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2025 [1] $'000	Carrying value at 31/12/2024 [1] $'000	Percentage of total net assets at 30/06/2025 %	Percentage of total net assets at 31/12/2024 %
Balance brought forward						2,079,807	2,072,101	117.2	115.3
Germany									
Pullman Hotel Munich	Freehold	–	–	Theodor-Dombart-Strasse 4, Munich	Hotel	155,150	147,662	8.7	8.2
Italy									
Hotel Cerretani Firenze – MGallery	Freehold	–	–	Via De Cerretani 68, Florence	Hotel	71,259	67,517	4.0	3.8
New Zealand									
Grand Millennium Auckland	Freehold	–	–	71 – 87 Mayoral Drive, Auckland	Hotel	171,504	167,907	9.7	9.3
Australia									
Ibis Perth	Freehold	–	–	334 Murray Street, Perth	Hotel	33,554	31,978	1.9	1.8
Mercure Perth	Freehold	–	–	10 Irwin Street, Perth	Hotel	37,532	37,908	2.1	2.1
Maldives									
Angsana Velavaru	Leasehold	99 years from 26 August 1997	71 years	South Nilandhe Atoll	Resort	87,399	92,135	4.9	5.1
Raffles Maldives Meradhoo	Leasehold	99 years from 15 June 2006	79 years	Gaafu Alifu Atoll	Resort	57,125	60,499	3.2	3.4
United Kingdom									
voco Manchester	Leasehold	197 years from 7 May 2021	192 years	57 & 59 Portland Street, Manchester	Hotel	87,338	84,001	4.9	4.7
Benson Yard [3]	Freehold	–	–	18 Benson Street, Liverpool	Residential	68,774	67,143	3.9	3.7
Investment properties						2,849,442	2,828,851	160.5	157.4

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

Portfolio Statements (cont'd)
As at 30 June 2025
H-REIT Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2025 [1] $'000	Carrying value at 31/12/2024 [1] $'000	Percentage of total net assets at 30/06/2025 %	Percentage of total net assets at 31/12/2024 %
Property, plant and equipment									
Japan									
Hotel MyStays Asakusabashi	Freehold	–	–	1-5-5 Asakusabashi, Taito-ku, Tokyo, Japan	Hotel	53,218	52,643	3.0	2.9
Hotel MyStays Kamata	Freehold	–	–	5-46-5 Kamata, Ota-ku, Tokyo, Japan	Hotel	28,548	28,306	1.6	1.6
Other plant and equipment	–	–	–	–	–	1,186	1,453	0.1	0.1
Property, plant and equipment						82,952	82,402	4.7	4.6
Investment properties and property, plant and equipment						2,932,394	2,911,253	165.2	162.0
Other assets and liabilities (net)						(1,156,587)	(1,113,869)	(65.2)	(62.0)
Net assets of the H-REIT Group						1,775,807	1,797,384	100.0	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] The acquisition of Benson Yard was completed on 19 December 2024.

Portfolio Statements (cont'd)
As at 30 June 2025
Stapled Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2025 [1] $'000	Carrying value at 31/12/2024 [1] $'000	Percentage of total net assets at 30/06/2025 %	Percentage of total net assets at 31/12/2024 %
Investment properties									
Singapore									
Orchard Hotel	Freehold [2]	75 years	56 years	442 Orchard Road	Hotel	517,765	517,000	28.7	28.1
Claymore Connect	Freehold [2]	75 years	56 years	442 Orchard Road	Retail	120,012	120,000	6.6	6.5
Grand Copthorne Waterfront Hotel	Freehold [2]	75 years	56 years	392 Havelock Road	Hotel	429,285	428,000	23.8	23.3
M Hotel	Freehold [2]	75 years	56 years	81 Anson Road	Hotel	272,130	272,000	15.1	14.8
Copthorne King's Hotel	Leasehold	99 years from 1 February 1968	41 years	403 Havelock Road	Hotel	146,062	146,000	8.1	7.9
Studio M Hotel	Leasehold	99 years from 26 February 2007	80 years	3 Nanson Road	Hotel	206,308	206,000	11.4	11.2
Germany									
Pullman Hotel Munich	Freehold	–	–	Theodor-Dombart-Strasse 4, Munich	Hotel	155,150	147,662	8.6	8.0
Balance carried forward						1,846,712	1,836,662	102.3	99.8

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

Portfolio Statements (cont'd)
As at 30 June 2025
Stapled Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2025 [1] $'000	Carrying value at 31/12/2024 [1] $'000	Percentage of total net assets at 30/06/2025 %	Percentage of total net assets at 31/12/2024 %
Balance brought forward						1,846,712	1,836,662	102.3	99.8
Italy									
Hotel Cerretani Firenze – MGallery	Freehold	–	–	Via De Cerretani 68, Florence	Hotel	71,259	67,517	3.9	3.7
New Zealand									
Grand Millennium Auckland	Freehold	–	–	71 – 87 Mayoral Drive, Auckland	Hotel	171,504	167,907	9.5	9.1
Maldives									
Angsana Velavaru	Leasehold	99 years from 26 August 1997	71 years	South Nilandhe Atoll	Resort	87,399	92,135	4.8	5.0
United Kingdom									
voco Manchester	Leasehold	197 years from 7 May 2021	192 years	57 & 59 Portland Street, Manchester	Hotel	87,338	84,001	4.8	4.6
Benson Yard [3]	Freehold	–	–	18 Benson Street, Liverpool	Residential	68,774	67,143	3.8	3.6
The Castings [4]	Freehold	–	–	9 Heyrod Street, Manchester	Residential	160,506	156,621	8.9	8.5
Hotel Indigo Exeter (retail units) [5]	Freehold	–	–	3 Catherine St, Exeter	Retail	6,968	6,810	0.4	0.4
Investment properties						2,500,460	2,478,796	138.4	134.7

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

Portfolio Statements (cont'd)
As at 30 June 2025
Stapled Group

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 30/06/2025 [1] $'000	Carrying value at 31/12/2024 [1] $'000	Percentage of total net assets at 30/06/2025 %	Percentage of total net assets at 31/12/2024 %
Property, plant and equipment									
Singapore									
W Singapore – Sentosa Cove	Leasehold	99 years from 31 October 2006	80 years	21 Ocean Way	Hotel	387,246	387,137	21.5	21.0
Australia									
Ibis Perth	Freehold	–	–	334 Murray Street, Perth	Hotel	36,698	35,578	2.0	1.9
Mercure Perth	Freehold	–	–	10 Irwin Street, Perth	Hotel	40,995	41,931	2.3	2.3
Maldives									
Raffles Maldives Meradhoo	Leasehold	99 years from 15 June 2006	79 years	Gaafu Alifu Atoll	Resort	65,822	71,370	3.6	3.9
Japan									
Hotel MyStays Asakusabashi	Freehold	–	–	1-5-5 Asakusabashi, Taito-ku, Tokyo	Hotel	53,218	52,643	2.9	2.9
Hotel MyStays Kamata	Freehold	–	–	5-46-5 Kamata, Ota-ku, Tokyo	Hotel	28,548	28,306	1.6	1.5
United Kingdom									
Hilton Cambridge City Centre	Leasehold	125 years from 25 December 1990	90 years	20 Downing Street, Cambridge	Hotel	111,947	110,574	6.2	6.0
The Lowry Hotel	Leasehold	150 years from 18 March 1997	121 years	50 Dearmans Place, Salford, Manchester	Hotel	88,477	87,283	4.9	4.7
Hotel Indigo Exeter [5]	Freehold	–	–	3 Catherine St, Exeter	Hotel	30,304	30,179	1.7	1.6
Other plant and equipment	–	–	–	–	–	1,241	1,453	0.1	0.1
Property, plant and equipment						844,496	846,454	46.8	45.9
Investment properties and property, plant and equipment						3,344,956	3,325,250	185.2	180.6
Other assets and liabilities (net)						(1,539,925)	(1,484,964)	(85.2)	(80.6)
Net assets of the Stapled Group						1,805,031	1,840,286	100.0	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] The acquisition of Benson Yard and the vacant freehold land adjacent to Benson Yard was completed on 19 December 2024.
[4] 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".
[5] The acquisition of Hotel Indigo Exeter was completed on 6 November 2024.

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

Statements of Cash Flows
Six-month period ended 30 June 2025

	Note	HBT Group		H-REIT Group		Stapled Group	
		Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
Cash flows from operating activities							
(Loss)/Total return for the period before tax		(9,907)	(12,677)	12,000	32,008	(2,834)	14,376
Adjustments for:							
H-REIT Manager's and HBT Trustee-Manager's fees paid/payable in Stapled Securities		583	520	4,957	5,139	5,540	5,659
Depreciation of property, plant and equipment		8,208	8,149	994	907	12,637	11,032
Impairment loss/(Reversal of impairment loss) on trade receivables		14	89	(35)	3	(21)	92
Net finance costs		8,592	11,130	33,555	21,760	37,862	29,929
Operating income before working capital changes		7,490	7,211	51,471	59,817	53,184	61,088
Changes in:							
- Inventories		248	56	–	–	248	56
- Trade and other receivables		484	(1,780)	1,315	(8,257)	3,488	(9,197)
- Trade and other payables		1,343	7,140	(4,245)	(4,369)	(5,035)	796
Cash generated from operations		9,565	12,627	48,541	47,191	51,885	52,743
Tax paid		(1,524)	(1,057)	(1,888)	(1,408)	(3,412)	(2,466)
Net cash generated from operating activities		8,041	11,570	46,653	45,783	48,473	50,277
Cash flows from investing activities							
Loans to related entity		–	–	(1,909)	(16,308)	–	–
Additions to property, plant and equipment		(1,094)	(656)	(20)	(422)	(9,551)	(5,302)
Capital expenditure on investment properties		(353)	(14,427)	(17,184)	(12,574)	(9,100)	(21,889)
Receipt of finance lease receivables		–	–	437	383	437	383
Interest received		35	41	226	305	261	346
Net cash used in investing activities		(1,412)	(15,042)	(18,450)	(28,616)	(17,953)	(26,462)
Cash flows from financing activities							
Loans from related entity		1,909	16,308	–	–	–	–
Proceeds from bank loans		–	–	142,209	151,206	142,209	151,206
Repayment of bank loans		–	–	(109,150)	(114,902)	(109,150)	(114,902)
Payment of transaction costs related to bank loans		–	–	(932)	(417)	(932)	(417)
Payment of lease liabilities		(4,609)	(4,404)	(516)	(459)	(571)	(529)
Finance costs paid		(4,958)	(5,637)	(22,493)	(22,243)	(25,784)	(26,026)
Distributions to holders of Stapled Securities		–	–	(35,375)	(39,789)	(35,375)	(39,789)
Movement in restricted cash		–	–	(54)	(67)	(54)	(67)
Net cash (used in)/generated from financing activities		(7,658)	6,267	(26,311)	(26,671)	(29,657)	(30,524)

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 2025

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
Net (decrease)/increase in cash and cash equivalents	(1,029)	2,795	1,892	(9,504)	863	(6,709)
Cash and cash equivalents at beginning of the year	21,713	14,798	54,521	55,185	76,234	69,983
Effect of exchange rate changes on cash and cash equivalents	190	155	1,236	(410)	1,426	(255)
Cash and cash equivalents at end of the period	20,874	17,748	57,649	45,271	78,523	63,019

Cash and cash equivalents at the end of the period

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
Cash and cash equivalents in the statement of financial position	20,874	17,748	59,797	47,175	80,671	64,923
Restricted cash	–	–	(2,148)	(1,904)	(2,148)	(1,904)
Cash and cash equivalents in the statement of cash flows	20,874	17,748	57,649	45,271	78,523	63,019

Significant non-cash transactions

There were the following non-cash transactions:

(i) 8,559,667 (30/06/2024: 6,908,888) Stapled Securities amounting to $7.3 million (30/06/2024: $7.4 million) were issued to the H-REIT Manager as satisfaction of the management fee payable in Stapled Securities.

(ii) 853,304 (30/06/2024: 642,926) Stapled Securities amounting to $0.7 million (30/06/2024: $0.7 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 2024. 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 2024, except for the adoption of amendments to FRS/SFRS(I) that are effective for annual period beginning on 1 January 2025. 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 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 property valuations or 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	
	30/06/2025 $'000	31/12/2024 $'000	30/06/2025 $'000	31/12/2024 $'000	30/06/2025 $'000	31/12/2024 $'000
At 1 January	163,430	–	2,828,851	2,750,215	2,478,796	2,232,899
Acquisition of properties, including acquisition costs (Note 19)	–	7,224	–	69,607	–	76,831
Capital expenditure	239	987	15,707	37,778	7,647	24,299
Reclassified from investment properties under development [(1)]	–	155,942	–	–	–	155,054
Fair value changes (unrealised)	–	(574)	–	(9,738)	–	5,771
Straight-line rental adjustments	–	–	(926)	1	(381)	860
Adjustment to right-of-use assets	–	–	1,364	1,723	1,364	1,723
Translation differences	3,805	(149)	4,446	(20,735)	13,034	(18,641)
At 30 June 2025/ 31 December 2024	167,474	163,430	2,849,442	2,828,851	2,500,460	2,478,796

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

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 2025, an investment property of the H-REIT Group and the Stapled Group with a carrying amount of $155.2 million (31/12/2024: $147.7 million) is pledged as security to secure a bank loan (Note 5).

Measurement of fair value

	HBT Group		H-REIT Group		Stapled Group	
	30/06/2025 $'000	31/12/2024 $'000	30/06/2025 $'000	31/12/2024 $'000	30/06/2025 $'000	31/12/2024 $'000
Fair value of investment properties	167,474	163,430	2,730,192	2,710,455	2,444,593	2,424,369
Add: Carrying amount of lease liabilities	–	–	119,250	118,396	55,867	54,427
Carrying amount of investment properties	167,474	163,430	2,849,442	2,828,851	2,500,460	2,478,796

The H-REIT Manager and HBT Trustee-Manager are of the view that the valuations of the investment properties as at 30 June 2025 remain substantially unchanged from those as at 31 December 2024 except to the extent of capital expenditure incurred during the six-month period ended 30 June 2025.

The carrying amounts of the investment properties were based on independent valuations undertaken by the following independent valuers:

Country	**2024**
Singapore	Knight Frank Pte Ltd
Australia	CBRE Valuations Pty Limited
New Zealand	CBRE Limited
Maldives	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
United Kingdom	Colliers International Consultancy & Valuation (Singapore) Pte Ltd CBRE Limited Knight Frank LLP
Germany	Colliers International Property Consultants Limited
Italy	C&W (U.K.) LLP (Italian Branch)

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, capitalisation, residual land value, comparative and investment 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 the HBT Trustee-Manager have exercised its judgement and are 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 Property, plant and equipment

	HBT Group		H-REIT Group		Stapled Group	
	30/06/2025	31/12/2024	30/06/2025	31/12/2024	30/06/2025	31/12/2024
	$'000	$'000	$'000	$'000	$'000	$'000
At valuation/cost						
At 1 January	346,425	316,633	89,754	78,472	912,830	871,069
Acquisition (Note 19)	–	30,643	–	–	–	30,643
Additions	1,094	1,925	20	616	9,413	17,009
Write-off	(228)	(84)	(36)	–	(264)	(84)
Additions of right-of-use assets	73	–	–	–	73	–
Adjustment to right-of-use assets	–	1,403	–	–	–	1,403
Translation differences	4,144	1,524	1,486	(5,666)	1,278	(5,806)
Revaluation surplus recognised in unitholders' funds/OCI	–	4,918	–	17,129	–	20,087
Reversal of revaluation deficit/(Revaluation deficit) recognised in statement of total return/profit or loss	–	1,819	–	–	–	(8,689)
Elimination of accumulated depreciation on revaluation	(6,096)	(12,356)	(451)	(797)	(6,523)	(12,802)
At 30 June 2025/31 December 2024	345,412	346,425	90,773	89,754	916,807	912,830
Accumulated depreciation						
At 1 January	32,531	28,189	7,352	6,658	66,376	56,458
Depreciation	8,208	16,428	994	1,804	12,637	22,576
Write-off	(228)	(84)	(36)	–	(264)	(84)
Translation differences	786	354	(38)	(313)	85	228
Elimination of accumulated depreciation on revaluation	(6,096)	(12,356)	(451)	(797)	(6,523)	(12,802)
At 30 June 2025/31 December 2024	35,201	32,531	7,821	7,352	72,311	66,376
Carrying amounts	310,211	313,894	82,952	82,402	844,496	846,454
At valuation						
Land and buildings	288,759	291,758	81,579	80,476	786,497	789,508

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 2024.

The carrying amounts of the properties were based on independent valuations undertaken by the following independent valuers:

Country	**2024**
Singapore	Knight Frank Pte Ltd
Australia	CBRE Valuations Pty Limited
Maldives	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
Japan	Cushman & Wakefield K.K.
United Kingdom	Colliers International Consultancy & Valuation (Singapore) Pte Ltd CBRE Limited

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 have exercised their judgement and are 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).

5 Loans and borrowings

	HBT Group		H-REIT Group		Stapled Group	
	30/06/2025	31/12/2024	30/06/2025	31/12/2024	30/06/2025	31/12/2024
	$'000	$'000	$'000	$'000	$'000	$'000
At amortised cost:						
Non-current						
Secured bank loan	–	–	65,226	–	65,226	–
Unsecured bank loans	93,856	91,644	906,781	786,179	1,000,637	877,823
Lease liabilities	101,511	107,800	122,023	121,665	140,699	139,907
Loans from related entity	230,769	222,596	–	–	–	–
	426,136	422,040	1,094,030	907,844	1,206,562	1,017,730
Current						
Secured TMK bond	–	–	27,246	26,654	27,246	26,654
Secured bank loan	–	–	–	62,142	–	62,142
Unsecured bank loans	–	–	293,171	371,427	293,171	371,427
Lease liabilities	9,251	9,333	1,136	1,077	1,193	1,125
	9,251	9,333	321,553	461,300	321,610	461,348
	435,387	431,373	1,415,583	1,369,144	1,528,172	1,479,078

Secured TMK bond

The Tokutei Mokuteki 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.

6 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:

	30/06/2025 '000	31/12/2024 '000
Units/Stapled Securities in issue:		
At 1 January	1,256,857	1,245,832
Creation of Units/Stapled Securities:		
- H-REIT Manager's management fee paid in Stapled Securities	8,560	9,991
- HBT Trustee-Manager's management fee paid in Stapled Securities	853	1,034
At 30 June 2025/31 December 2024	1,266,270	1,256,857
Units/Stapled Securities to be issued:		
H-REIT Manager's management fees payable in Stapled Securities	4,402	6,740
HBT Trustee-Manager's management fees payable in Stapled Securities	484	609
At 30 June 2025/31 December 2024	4,886	7,349
Units/Stapled Securities, in issue and to be issued	1,271,156	1,264,206

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

		HBT Group		H-REIT Group		Stapled Group	
	Note	30/06/2025 $'000	31/12/2024 $'000	30/06/2025 $'000	31/12/2024 $'000	30/06/2025 $'000	31/12/2024 $'000
Net asset value/Net tangible asset per Unit/Stapled Security is based on:							
Net (liabilities)/assets attributable to holders of Stapled Securities		(10,749)	(7,995)	1,767,499	1,789,476	1,796,723	1,832,378
		'000	'000	'000	'000	'000	'000
Total issued and to be issued Units/Stapled Securities	6	1,271,156	1,264,206	1,271,156	1,264,206	1,271,156	1,264,206

8 Revenue

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
Revenue from contract with customers						
- Hotel revenue	68,118	70,762	–	–	68,151	70,762
Rental income						
- Fixed rent	3,962	–	39,834	36,470	37,987	30,532
- Variable rent	–	–	23,617	33,766	18,936	26,054
	72,080	70,762	63,451	70,236	125,074	127,348

Hotel revenue

Hotel revenue comprises 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

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.

Rental revenue for the H-REIT Group includes rental income from the HBT Group and related corporations of the H-REIT Manager of $10,457,000 (30/06/2024: $13,651,000) and $32,794,000 (30/06/2024: $38,619,000) respectively. Such revenue is attributable to the Maldives segment, New Zealand segment, Singapore segment, Japan segment and Australia segment.

9 Management fees

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
H-REIT Manager's management fee						
- Base fee	–	–	3,865	3,685	3,865	3,685
- Performance fee	–	–	2,331	2,738	2,331	2,738
	–	–	6,196	6,423	6,196	6,423
HBT Trustee-Manager's management fee						
- Base fee	523	455	–	–	523	455
- Performance fee	206	195	–	–	206	195
	729	650	–	–	729	650

10 Finance income and finance costs

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
Finance income						
Interest income under the effective interest method on:						
- cash and cash equivalents	35	41	111	143	146	184
- finance lease receivables	–	–	111	133	111	133
- loans to related entity	–	–	3,780	3,328	–	–
	35	41	4,002	3,604	257	317
Fair value gains on financial derivatives designated at fair value through profit or loss	–	–	–	2,254	–	2,254
Net foreign exchange gain	138	–	–	–	1,066	–
	173	41	4,002	5,858	1,323	2,571
Finance costs						
Financial liabilities measured at amortised cost:						
- interest expense on:						
- loans and borrowings	(2,874)	(3,459)	(21,267)	(20,726)	(24,141)	(23,154)
- lease liabilities	(2,037)	(2,194)	(2,208)	(2,214)	(2,578)	(2,554)
- loans from related entity	(3,780)	(1,409)	–	–	–	–
- amortisation of transaction costs on loans and borrowings	(74)	(73)	(840)	(1,051)	(914)	(1,124)
- financial expense arising from accretion of non-current rental deposits	–	–	(147)	(141)	(147)	(141)
	(8,765)	(7,135)	(24,462)	(24,132)	(27,780)	(26,973)
Fair value losses on financial derivatives designated at fair value through profit or loss	–	–	(11,405)	–	(11,405)	–
Net foreign exchange losses	–	(4,036)	(1,690)	(3,486)	–	(5,527)
	(8,765)	(11,171)	(37,557)	(27,618)	(39,185)	(32,500)
Net finance costs	(8,592)	(11,130)	(33,555)	(21,760)	(37,862)	(29,929)

11 Tax (credit)/expense

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
Current tax (credit)/expense						
Current period	315	680	1,769	2,089	2,084	2,769
Over provision in prior periods	(592)	(14)	(13)	(421)	(605)	(435)
	(277)	666	1,756	1,668	1,479	2,334
Withholding tax	178	197	415	591	593	787
Deferred tax expense						
Origination and reversal of temporary differences	(1,686)	(310)	166	86	(192)	(223)
Tax (credit)/expense	(1,785)	553	2,337	2,345	1,880	2,898

12 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 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
Audit fees	283	488	393	385	676	873
Impairment loss/(Reversal of impairment loss) on trade receivables	14	89	(35)	3	(21)	92
Operating expenses arising from rental of investment properties	747	–	7,487	6,987	5,811	4,385

(ii) Loss/Total return comprises profit/loss

	HBT Group		H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
- H-REIT	–	–	1,202	21,059	1,202	21,059
- Other H-REIT Group entities*	–	–	8,461	8,604	8,461	8,604
- HBT	(9,788)	(10,929)	–	–	(9,788)	(10,929)
- Other HBT Group entities*	1,666	(2,301)	–	–	1,666	(2,301)
- Stapled Group's consolidation adjustments	–	–	–	–	(6,255)	(4,955)
	(8,122)	(13,230)	9,663	29,663	(4,714)	11,478

* including consolidation adjustments

13 Earnings per Stapled Security

Earnings per Stapled Security is based on:

	Stapled Group	
	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
Total return for the period attributable to holders of Stapled Securities	(4,882)	11,254

	Number of Stapled Securities	
	Six-month period ended 30/06/2025 '000	Six-month period ended 30/06/2024 '000
Weighted average number of Stapled Securities used in arriving at basic earnings per Stapled Security:		
- outstanding during the period	1,264,206	1,251,724
- to be issued as payment of H-REIT Manager's and/or HBT Trustee-Manager's management fees payable in Stapled Securities	1,062	849
	1,265,268	1,252,573
Weighted average number of Stapled Securities used in arriving at diluted earnings per Stapled Security:		
- weighted average number of Stapled Securities (basic)	1,265,268	1,252,573
- to be issued as payment of H-REIT Manager's and/or HBT Trustee-Manager's management fees payable in Stapled Securities	5,888	5,010
	1,271,156	1,257,583
Earnings per Stapled Security (cents)		
Basic	(0.39)	0.90
Diluted	(0.39)	0.90

14 Operating segments

Information about reportable segments

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

	HBT Group					
	Singapore	**Australia**	**Maldives**	**Japan**	**UK**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Six-month period ended 30 June 2025						
Rental revenue	–	–	–	–	3,962	3,962
Hotel revenue	22,490	10,807	6,094	4,985	23,742	68,118
Revenue – external	22,490	10,807	6,094	4,985	27,704	72,080
Reportable segment net property income	1,370	2,353	(613)	(24)	6,486	9,572
Depreciation of property, plant and equipment	(1,169)	(1,975)	(1,396)	–	(3,668)	(8,208)
Unallocated items:						
- HBT Trustee-Manager's management fee						(729)
- HBT Trustee-Manager's trustee fee						(209)
- Valuation fee						(35)
- Other expenses						(1,706)
- Finance income						173
- Finance costs						(8,765)
- Tax credit						1,785
Loss for the period						(8,122)
Reportable segment assets						
Capital expenditure on investment properties and property, plant and equipment	–	–	–	–	1,333	1,333
Non-current assets ^	33,774	22,758	22,951	–	398,202	477,685

^ 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 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						(13,230)
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.

	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 2025											
Rental revenue	34,373	1,960	2,323	4,181	6,619	2,643	1,741	5,470	59,310	4,141	63,451
Reportable segment net property income	30,377	1,960	1,633	3,369	5,966	2,500	1,556	4,247	51,608	3,191	54,799
Depreciation of property, plant and equipment	–	–	–	–	(207)	(787)	–	–	(994)	–	(994)
Unallocated items:											
- H-REIT Manager's management fee											(6,196)
- H-REIT Trustee's fee											(235)
- Valuation fee											(81)
- Other expenses											(1,738)
- Finance income											4,002
- Finance costs											(37,557)
- Tax expense											(2,337)
Total return for the period											9,663
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	7,707	3,254	2,987	368	858	–	485	68	15,727	–	15,727
Non-current assets ^	1,959,795	171,504	71,086	155,150	145,711	81,766	71,259	156,111	2,812,382	120,012	2,932,394

^ 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 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											29,663
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 ^	1,961,733	179,554	63,328	153.961	154,269	63,695	66,327	83,014	2,725,881	110,000	2,835,881

^ 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 2025											
Rental revenue	30,834	1,960	–	4,181	4,634	–	1,741	9,432	52,782	4,141	56,923
Hotel revenue	22,490	–	10,840	–	6,094	4,985	–	23,742	68,151	–	68,151
Revenue – external	53,324	1,960	10,840	4,181	10,728	4,985	1,741	33,174	120,933	4,141	125,074
Reportable segment net property income	30,246	1,960	1,696	3,369	3,368	2,476	1,556	10,733	55,404	3,191	58,595
Depreciation of property, plant and equipment	(5,055)	–	(1,328)	–	(1,799)	(787)	–	(3,668)	(12,637)	–	(12,637)
Unallocated items:											
- H-REIT Manager's management fee											(6,196)
- H-REIT Trustee's fee											(235)
- HBT Trustee-Manager's management fee											(729)
- HBT Trustee-Manager's trustee fee											(209)
- Valuation fee											(116)
- Other expenses											(3,445)
- Finance income											1,323
- Finance costs											(39,185)
- Tax expense											(1,880)
Loss for the period											(4,714)
Reportable segment assets											
Capital expenditure:											
- Investment properties and property, plant and equipment	7,707	3,254	2,987	368	858	–	485	1,401	17,060	–	17,060
Non-current assets ^	1,958,850	171,504	77,694	155,150	154,407	81,766	71,259	554,314	3,224,944	120,012	3,344,956

^ 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											11,478
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.

15 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 2025**								
Financial assets not measured at fair value								
Trade and other receivables [1]	18,714	–	–	18,714				
Cash and cash equivalents	20,874	–	–	20,874				
	39,588	–	–	39,588				
Financial liabilities not measured at fair value								
Unsecured bank loans	–	–	(93,856)	(93,856)	–	(93,856)	–	(93,856)
Loans from related entity	–	–	(230,769)	(230,769)				
Trade and other payables [2]	–	–	(66,866)	(66,866)				
Rental deposits	–	–	(34)	(34)	–	–	(34)	(34)
	–	–	(391,525)	(391,525)				

[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 2024**								
Financial assets not measured at fair value								
Trade and other receivables [1]	20,312	–	–	20,312				
Cash and cash equivalents	21,713	–	–	21,713				
	42,025	–	–	42,025				
Financial liabilities not measured at fair value								
Unsecured bank loans	–	–	(91,644)	(91,644)	–	(91,644)	–	(91,644)
Loan from related entity	–	–	(222,596)	(222,596)				
Trade and other payables [2]	–	–	(69,797)	(69,797)				
Rental deposits	–	–	(34)	(34)	–	–	(34)	(34)
	–	–	(384,071)	(384,071)				

[1] Excluding prepayments
[2] Excluding deferred income

H-REIT Group At 30 June 2025	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
Financial assets not measured at fair value								
Finance lease receivables	3,908	–	–	3,908				
Trade and other receivables [1]	269,695	–	–	269,695				
Cash and cash equivalents	59,797	–	–	59,797				
	333,400	–	–	333,400				
Financial assets measured at fair value								
Financial derivative assets	–	4,994	–	4,994	–	4,994	–	4,994
Financial liabilities measured at fair value								
Financial derivative liabilities	–	(8,498)	–	(8,498)	–	(8,498)	–	(8,498)
Financial liabilities not measured at fair value								
Secured TMK bond	–	–	(27,246)	(27,246)	–	(27,191)	–	(27,191)
Secured bank loan	–	–	(65,226)	(65,226)	–	(65,240)	–	(65,240)
Unsecured bank loans	–	–	(1,199,952)	(1,199,952)	–	(1,200,558)	–	(1,200,558)
Trade and other payables [2]	–	–	(34,667)	(34,667)				
Rental deposits	–	–	(12,047)	(12,047)	–	–	(11,851)	(11,851)
	–	–	(1,339,138)	(1,339,138)				

[1] Excluding prepayments
[2] Excluding deferred income

H-REIT Group At 31 December 2024	Carrying amount Amortised cost $'000	Fair value – hedging instruments $'000	Other financial liabilities $'000	Total $'000	Fair value Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets not measured at fair value								
Finance lease receivables	4,345	–	–	4,345				
Trade and other receivables [1]	263,723	–	–	263,723				
Cash and cash equivalents	56,575	–	–	56,575				
	324,643	–	–	324,643				
Financial assets measured at fair value								
Financial derivative assets	–	8,720	–	8,720	–	8,720	–	8,720
Financial liabilities measured at fair value								
Financial derivative liabilities	–	(727)	–	(727)	–	(727)	–	(727)
Financial liabilities not measured at fair value								
Secured TMK bond	–	–	(26,654)	(26,654)	–	(26,495)	–	(26,495)
Secured bank loan	–	–	(62,142)	(62,142)	–	(61,824)	–	(61,824)
Unsecured bank loans	–	–	(1,157,606)	(1,157,606)	–	(1,152,038)	–	(1,152,038)
Trade and other payables [2]	–	–	(37,893)	(37,893)				
Rental deposits	–	–	(11,990)	(11,990)	–	–	(11,632)	(11,632)
	–	–	(1,296,285)	(1,296,285)				

[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 2025**								
Financial assets not measured at fair value								
Finance lease receivables	3,908	–	–	3,908				
Trade and other receivables [(1)]	21,290	–	–	21,290				
Cash and cash equivalents	80,671	–	–	80,671				
	105,869	–	–	105,869				
Financial assets measured at fair value								
Financial derivative assets	–	4,994	–	4,994	–	4,994	–	4,994
Financial liabilities measured at fair value								
Financial derivative liabilities	–	(8,498)	–	(8,498)	–	(8,498)	–	(8,498)
Financial liabilities not measured at fair value								
Secured TMK bond	–	–	(27,246)	(27,246)	–	(27,191)	–	(27,191)
Secured bank loan	–	–	(65,226)	(65,226)	–	(65,240)	–	(65,240)
Unsecured bank loans	–	–	(1,293,808)	(1,293,808)	–	(1,294,413)	–	(1,294,413)
Trade and other payables [(2)]	–	–	(48,542)	(48,542)				
Rental deposits	–	–	(12,082)	(12,082)	–	–	(11,885)	(11,885)
	–	–	(1,446,904)	(1,446,904)				

[(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 2024**								
Financial assets not measured at fair value								
Finance lease receivables	4,345	–	–	4,345				
Trade and other receivables [1]	25,397	–	–	25,397				
Cash and cash equivalents	78,288	–	–	78,288				
	108,030	–	–	108,030				
Financial assets measured at fair value								
Financial derivative assets	–	8,720	–	8,720	–	8,720	–	8,720
Financial liabilities measured at fair value								
Financial derivative liabilities	–	(727)	–	(727)	–	(727)	–	(727)
Financial liabilities not measured at fair value								
Secured TMK bond	–	–	(26,654)	(26,654)	–	(26,495)	–	(26,495)
Secured bank loan	–	–	(62,142)	(62,142)	–	(61,824)	–	(61,824)
Unsecured bank loans	–	–	(1,249,250)	(1,249,250)	–	(1,243,681)	–	(1,243,681)
Trade and other payables [2]	–	–	(53,980)	(53,980)				
Rental deposits	–	–	(12,024)	(12,024)	–	–	(11,666)	(11,666)
	–	–	(1,404,050)	(1,404,050)				

[1] Excluding prepayments
[2] Excluding deferred income

16 Commitments

		HBT Group		H-REIT Group		Stapled Group	
		30/06/2025 $'000	31/12/2024 $'000	30/06/2025 $'000	31/12/2024 $'000	30/06/2025 $'000	31/12/2024 $'000
(a)	Capital expenditure contracted but not provided for	182	763	8,361	9,451	8,543	10,214

(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% (31/12/2024: 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 2025, the H-REIT Group and the Stapled Group are committed to incur capital expenditure of $5,806,000 (31/12/2024: $5,120,000) 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 2025 and 2024.

(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 2025, the Stapled Group recorded variable lease payments of $349,000 (30/6/2024: $664,000).

(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 2027.

- 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 2027.

(f) In 2024, HBT's subsidiary, CDL HBT Oceanic Maldives Private Limited, has entered into an agreement with a third party carrier to purchase a minimum number of seaplane charter flights, subject to an annual charge of $1.7 million (US$1.3 million). The agreement is for a period of 5 years to 31 October 2029, and it is cancellable by either party after 31 October 2026 without any cause.

17 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 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000	Six-month period ended 30/06/2025 $'000	Six-month period ended 30/06/2024 $'000
Related corporations of the H-REIT Manager and HBT Trustee-Manager						
Rental income received/ receivable	–	–	33,856	38,861	33,856	38,861
Rental expense paid/payable	–	41	571	516	571	557
Shared service expenses paid/payable	92	106	215	287	307	393
Corporate secretarial services fee paid/payable	38	31	62	59	100	90
Management fee paid/payable	77	77	–	–	77	77
Advisory fee paid/payable	6	29	–	–	6	29

18 Financial ratios

	H-REIT Group		Stapled Group	
	Six-month period ended 30/06/2025 %	Six-month period ended 30/06/2024 %	Six-month period ended 30/06/2025 %	Six-month period ended 30/06/2024 %
Expenses to weighted average net assets [1]				
- including performance component of H-REIT Manager's management fees [2]	0.93	0.94	1.21	1.21
- excluding performance component of H-REIT Manager's management fees [2]	0.67	0.63	0.93	0.89

[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.

19 Acquisitions

On 6 November 2024, the HBT Group has completed acquisition of Hotel Indigo Exeter (the "**Hotel**") and two retail units (the "**Retail Units**") via its wholly-owned subsidiaries namely CDL HBT Investments (III) Property Limited and CDL HBT Investments (III) Retail Limited respectively.

On 19 December 2024, the H-REIT Group has completed acquisition of Benson Yard, a Purpose-Built Student Accommodation in Liverpool (the "**Residential**"), through its wholly-owned subsidiary, CDL HREIT Investments (IV) Property Limited. The Residential comes with a vacant land adjacent to Benson Yard which has a notional amount of £1.

Hotel

The Hotel comprises land and building. The acquisition of the Hotel was together with chattels and equipment, business intellectual property rights, business information and contracts, inventories, and organised workforce (collectively the "**Acquired Hotel**"). The acquired inputs and processes significantly contributed to the ability to generate revenue. Therefore, the Acquired Hotel is a business. Accordingly, the Acquired Hotel has been accounted for as a business combination by the HBT Group and the Stapled Group.

From 6 November 2024 to 31 December 2024, the Acquired Hotel contributed hotel revenue of $1,413,000 and loss before tax or total return before tax (as the case may be) of $155,000 to the HBT Group's and the Stapled Group's financial results.

For the reporting year, the Acquired Hotel was undergoing gestation and if the acquisition had occurred on 1 January 2024,

- the consolidated revenue of the HBT Group would have been $151,724,000 and the consolidated loss for the year before tax of the HBT Group would have been $22,574,000.
- the consolidated revenue of the Stapled Group would have been $267,377,000 and the consolidated total return for the year before tax of the Stapled Group would have been $19,701,000.

In determining these amounts, the HBT Trustee-Manager and the H-REIT Manager have assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2024.

Consideration transferred

	$'000
Total consideration transferred	26,200

Acquisition-related costs

A total acquisition-related costs of $2,403,000 (£1,396,000) has been recognised in the statement of profit or loss or the statement of total return (as the case may be) for the year ended 31 December 2024, out of which:

- acquisition fee of $334,000 has been included in 'HBT Trustee-Manager's acquisition fee'; and
- professional due diligence costs of $2,069,000 have been included in 'other expenses'.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised fair value amounts of assets acquired and liabilities assumed at the date of acquisition.

	$'000
Property, plant and equipment	30,643
Inventory	69
Other receivables	8
Trade and other payables	(466)
Deferred tax liability	(1,019)
Total identifiable net assets	29,235

Identifiable net assets have been determined on a provisional basis. If new information obtained within one year from the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired (mainly land and building) were as follows:

Assets acquired	**Valuation techniques**
Land and building	*Discounted cash flows (DCF) and Income capitalisation method:* The DCF method involves present value of (i) projected earnings (net of capital expenditure where appropriate) for the Hotel over 10 years and (ii) value of the hotel derived from the capitalised earnings in the 10th year, using an appropriate discount rate. Income capitalisation method involves capitalising the projected earnings for the hotel in a stabilised trading year and making allowances for the income shortfall up to stabilisation / capital expenditure required.

Bargain Purchase

Bargain purchase arising from the Acquired Hotel has been recognised as follows:

	$'000
Total consideration transferred	26,200
Fair value of identifiable net assets	(29,235)
Gain from a bargain purchase	(3,035)

The gain from a bargain purchase of the Acquired Hotel relates to the lower consideration transferred as compared to the fair value determined by the independent valuer. The gain from a bargain purchase was recognised in the statement of profit or loss or statement of total return (as the case may be) for the year ended 31 December 2024.

Retail Units

The HBT Group purchased the Retail Units at cash consideration of $6.9 million (£4.0 million) and has incurred acquisition-related costs of $0.3 million (£0.2 million). These costs have been capitalised and included in 'investment properties'.

Residential

The acquisition of the Residential was together with chattels and equipment, service contracts and workforce under property management contract. The acquired processes do not significantly contribute to the ability to generate revenue. Therefore, the Residential does not constitute a business and it has been accounted for as acquisition of property by the H-REIT Group.

The H-REIT Group purchased the Residential at cash consideration of $64.0 million (£37.3 million) and has incurred acquisition-related costs of $5.6 million (£3.3 million). These costs have been capitalised and included in 'Investment properties'.

Effect of the acquisitions on cash flows

The following table shows the amounts recognised in statement of cash flows for the year ended 31 December 2024 for the acquisitions mentioned above:

	HBT Group		H-REIT Group
	Acquired Hotel $'000	Retail Units $'000	Residential $'000
Total consideration transferred	26,200	6,833	63,273
Add: Acquisition-related costs	2,403	340	5,646
Less: Acquisition-related costs not yet paid	(731)	–	(1,800)
Net cash outflow on acquisitions	27,872	7,173	67,119

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 1.98 cents per Stapled Security to Stapled Securityholders in respect of the period from 1 January 2025 to 30 June 2025.

(ii) 2,005,912 Stapled Securities, amounting to $1,561,001 were issued as satisfaction of the H-REIT Manager's base fee for the period from 1 April 2025 to 30 June 2025.

(iii) 272,841 Stapled Securities, amounting to $212,325 were issued as satisfaction of the HBT Trustee-Manager's base fee for the period from 1 April 2025 to 30 June 2025.

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 2025, 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 2025, 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 2025, 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 2025 Summary of Group Performance" Section 2, page 10 to 17 of CDL Hospitality Trusts for the six-month period ended 30 June 2025.

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 2025 Summary of Group Performance" Section 3, page 17 of CDL Hospitality Trusts for the six-month period ended 30 June 2025.

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 2025 Summary of Group Performance" Section 4, page 18 to 19 of CDL Hospitality Trusts for the six-month period ended 30 June 2025.

5. Distributions

5(a) Current financial period

Any distributions declared for the current financial period? Yes
Period of distribution: Distribution for 1 January 2025 to 30 June 2025

Distribution Type	**Amount (cents per Stapled Security)**
Taxable Income	1.54
Capital	0.44
Total	**1.98**

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 2024 to 30 June 2024

Distribution Type	**Amount (cents per Stapled Security)**
Taxable Income	2.07
Capital	0.44
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%.

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 2025

5(e) Date payable

29 August 2025

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 2025 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 2025

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. Representatives 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 2025

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 2025

CDL HOSPITALITY TRUSTS
FIRST HALF 2025 SUMMARY OF GROUP PERFORMANCE

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CDL HOSPITALITY TRUSTS

A stapled group comprising:

CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES

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

and

CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES

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

CDL HOSPITALITY TRUSTS
UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS, H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

INTRODUCTION

CDL Hospitality Trusts ("**CDLHT**") is one of Asia's leading hospitality trusts with assets under management of about S$3.5 billion as at 30 June 2025. CDLHT is a stapled group comprising CDL Hospitality Real Estate Investment Trust ("**H-REIT**"), a real estate investment trust, and CDL Hospitality Business Trust ("**HBT**"), a business trust (collectively the "**Group**"). CDLHT was listed on the Singapore Exchange Securities Trading Limited on 19 July 2006. M&C REIT Management Limited is the manager of H-REIT, the first hotel real estate investment trust in Singapore, and M&C Business Trust Management Limited is the trustee-manager of HBT.

CDLHT's principal investment strategy is to invest in a diversified portfolio of real estate which is or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes globally. CDLHT's portfolio comprises 22 properties (which include 4,924 hotel rooms, 352 Built-to-Rent apartments, 404 Purpose-Built Student Accommodation beds and a retail mall). The properties under the portfolio include:

(i) six hotels in the gateway city of Singapore comprising Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel, Studio M Hotel and W Singapore – Sentosa Cove (the "**W Hotel**" and collectively, the "**Singapore Hotels**") as well as a retail mall adjoining Orchard Hotel (Claymore Connect);
(ii) one hotel in New Zealand's gateway city of Auckland, namely Grand Millennium Auckland (the "**New Zealand Hotel**");
(iii) two hotels in Perth, Australia comprising Mercure Perth and Ibis Perth (collectively, the "**Perth Hotels**");
(iv) two hotels in Japan's gateway city of Tokyo comprising Hotel MyStays Asakusabashi and Hotel MyStays Kamata (collectively, the "**Japan Hotels**");
(v) two resorts in Maldives comprising Angsana Velavaru and Raffles Maldives Meradhoo (collectively, the "**Maldives Resorts**");
(vi) four hotels in the United Kingdom comprising Hotel Indigo Exeter in Exeter; Hilton Cambridge City Centre in Cambridge; The Lowry Hotel and voco Manchester - City Centre in Manchester (collectively, the "**UK Hotels**");
(vii) two living assets in the United Kingdom, comprising a residential Built-to-Rent property — The Castings — in Manchester (the "**UK BTR**"), and a Purpose-Built Student Accommodation — Benson Yard — in Liverpool (the "**UK PBSA**");
(viii) one hotel in Germany's gateway city of Munich, namely Pullman Hotel Munich (the "**Germany Hotel**"); and
(ix) one hotel in the historic city centre of Florence, Italy, namely Hotel Cerretani Firenze – MGallery (the "**Italy Hotel**" or "**Hotel Cerretani Firenze**").

HBT Group owns Hilton Cambridge City Centre (the "**Hilton Hotel**"), The Lowry Hotel, Hotel Indigo Exeter and is also the master lessee of H-REIT Group's Perth Hotels, Japan Hotels, Raffles Maldives Meradhoo, and W Hotel. It also owns The Castings, a residential Built-to-Rent property in Manchester, United Kingdom. HBT Group will continue its function as a master lessee of last resort and may undertake certain hospitality and hospitality-related development projects, acquisitions and investments which may not be suitable or deemed suitable for H-REIT.

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

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

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS, H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

SUMMARY OF CDL HOSPITALITY TRUSTS' RESULTS

	1 Jan 2025 to 30 Jun 2025 ("1H 2025") S$'000	1 Jan 2024 to 30 Jun 2024 ("1H 2024") S$'000	Increase/ (Decrease) %
Revenue	125,074	127,348	(1.8)
Net property income	58,595	66,533	(11.9)
Total return before revaluation and fair value adjustments on properties	(4,714)	11,478	N.M
Income available for distribution to Stapled Securityholders (before retention)	21,663	28,750	(24.7)
Less:			
Income retained for working capital	(2,166)	(2,875)	(24.7)
Income to be distributed to Stapled Securityholders (after retention)	19,497	25,875	(24.6)
Capital distribution[1]	5,585	5,550	0.6
Total distribution to Stapled Securityholders (after retention)	25,082	31,425	(20.2)
Total distribution per Stapled Security (before retention) (cents)			
For the period	2.15	2.74	(21.5)
Total distribution per Stapled Security (after retention) (cents)			
For the period	1.98	2.51	(21.1)

[1] Comprise of operating cashflows from overseas properties.

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

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS, H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

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

		H-REIT Group			HBT Group [b]			CDL Hospitality Trusts		
	Foot-note	1H 2025 S$'000	1H 2024 S$'000	Increase/ (Decrease) %	1H 2025 S$'000	1H 2024 S$'000	Increase/ (Decrease) %	1H 2025 S$'000	1H 2024 S$'000	Increase/ (Decrease) %
Revenue										
Rental revenue		63,451	70,236	(9.7)	3,962	-	N.M	56,923	56,586	0.6
Hotel revenue		-	-	-	68,118	70,762	(3.7)	68,151	70,762	(3.7)
	(a)	63,451	70,236	(9.7)	72,080	70,762	1.9	125,074	127,348	(1.8)
Property expenses										
Operation and maintenance expenses		(59)	-	N.M	(16,874)	(15,537)	8.6	(16,933)	(15,537)	9.0
Employee benefit expenses		(214)	-	N.M	(25,023)	(22,996)	8.8	(25,237)	(22,996)	9.7
Rental expenses	(c)	-	-	-	(4,731)	(7,737)	(38.9)	(50)	(26)	92.3
Property tax	(d)	(4,137)	(4,012)	3.1	(986)	(678)	45.4	(5,123)	(4,690)	9.2
Other property expenses	(e)	(4,242)	(3,108)	36.5	(14,894)	(14,458)	3.0	(19,136)	(17,566)	8.9
		(8,652)	(7,120)	21.5	(62,508)	(61,406)	1.8	(66,479)	(60,815)	9.3
Net property income		54,799	63,116	(13.2)	9,572	9,356	2.3	58,595	66,533	(11.9)
H-REIT Manager's management fees		(6,196)	(6,423)	(3.5)	-	-	-	(6,196)	(6,423)	(3.5)
H-REIT Trustee's fees		(235)	(220)	6.8	-	-	-	(235)	(220)	6.8
HBT Trustee-Manager's management fees		-	-	-	(729)	(650)	12.2	(729)	(650)	12.2
HBT Trustee-Manager's trustee fees		-	-	-	(209)	(182)	14.8	(209)	(182)	14.8
Valuation fee		(81)	(100)	(19.0)	(35)	(39)	(10.3)	(116)	(139)	(16.5)
Depreciation	(f)	(994)	(907)	9.6	(8,208)	(8,149)	0.7	(12,637)	(11,032)	14.5
Other expenses	(g)	(1,738)	(1,698)	2.4	(1,706)	(1,883)	(9.4)	(3,445)	(3,582)	(3.8)
Finance income		4,002	5,858	(31.7)	173	41	N.M	1,323	2,571	(48.5)
Finance costs		(37,557)	(27,618)	36.0	(8,765)	(11,171)	(21.5)	(39,185)	(32,500)	20.6
Net finance costs	(h)	(33,555)	(21,760)	54.2	(8,592)	(11,130)	(22.8)	(37,862)	(29,929)	26.5
Total return/(Loss) for the period before tax		12,000	32,008	(62.5)	(9,907)	(12,677)	(21.9)	(2,834)	14,376	N.M
Tax credit/(expense)		(2,337)	(2,345)	(0.3)	1,785	(553)	N.M	(1,880)	(2,898)	(35.1)
Total return/(Loss) for the period		9,663	29,663	(67.4)	(8,122)	(13,230)	(38.6)	(4,714)	11,478	N.M
Attributable to:										
Unitholders		9,495	29,439	(67.7)	(8,122)	(13,230)	(38.6)	(4,882)	11,254	N.M
Non-controlling interests	(i)	168	224	(25.0)	-	-	-	168	224	(25.0)
Total return/(Loss) for the period		9,663	29,663	(67.4)	(8,122)	(13,230)	(38.6)	(4,714)	11,478	N.M

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

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS, H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

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

	HBT Group		
	1H 2025 S$'000	1H 2024 S$'000	Increase/ (Decrease) %
Loss for the period	(8,122)	(13,230)	(38.6)
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Tax effect on temporary differences of property, plant and equipment	42	189	(77.6)
	42	189	(77.6)
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences:			
- foreign operations	6,934	3,570	94.2
- monetary items forming part of net investment in a foreign operations	2,099	1,940	8.2
- hedge of net investment in a foreign operations	(4,290)	(1,098)	N.M
	4,743	4,412	7.5
Other comprehensive income for the period, net of tax	4,785	4,601	4.0
Total comprehensive income for the period	(3,337)	(8,629)	(61.3)

Review of financial performance

(a) Revenue comprises rental revenue and hotel revenue from CDLHT's properties. Please refer to Section 2 (i), pages 10 to 11 of the Announcement.

(b) Revenue and property expenses for HBT Group in 1H 2025 have increased marginally as compared to the corresponding period last year primarily due to the inclusion of the operating results from The Castings which opened on 16 July 2024 and from Hotel Indigo Exeter (acquired on 6 November 2024).

(c) Rental expenses for HBT Group have decreased in 1H 2025 as compared to the corresponding period last year mainly due to decrease in intra-group lease expenses from HBT Group to H-REIT Group as a result of weaker performance from certain hotels as compared to 1H 2024.

(d) CDLHT recorded a yoy increase in property tax in 1H 2025, mainly due to higher property tax from the Singapore Hotels following the finalisation of its tax assessments in H-REIT Group, as well as the inclusion of property tax from The Castings and Hotel Indigo Exeter in HBT Group.

(e) CDLHT's other property expenses comprise mainly utilities, insurance and other direct operating expenses. In 1H 2025, the other property expenses was higher yoy for CDLHT mainly due to the inclusion of the operating results from the UK PBSA (acquired on 19 December 2024) in H-REIT Group, as well as The Castings and Hotel Indigo Exeter in HBT Group.

Included in other property expenses for 1H 2025 was a write-back of impairment loss of S$90K relating to Claymore Connect's rental receivables as well as impairment loss of S$46K and S$23K relating to the UK properties' and W Hotel's trade receivables respectively.

(f) The depreciation for CDLHT mainly relates to property, plant and equipment of W Hotel, Raffles Maldives Meradhoo, the Japan Hotels, the Perth Hotels, the Hilton Hotel, The Lowry Hotel and Hotel Indigo Exeter.

(g) Other expenses comprise mainly professional fees and administrative expenses. In 1H 2025, HBT Group and CDLHT's other expenses decreased mainly due to the absence of pre-opening expenses for the UK BTR development project of S$1.1 million incurred in 1H 2024. This decrease was partially offset by the inclusion of expenses from the Hotel Indigo Exeter in 1H 2025.

(h) *Net finance costs*

	CDL Hospitality Trusts		
	1H 2025 S$'000	1H 2024 S$'000	Increase/ (Decrease) %
Interest income received/receivable from banks	146	184	(20.7)
Interest income from finance lease	111	133	(16.5)
Fair value gain on derivatives[(i)]	-	2,254	N.M
Exchange gain[(ii)]	1,066	-	N.M
Finance income	1,323	2,571	(48.5)
Exchange loss[(ii)]	-	(5,527)	N.M
Interest paid/payable to banks[(iii)]	(24,141)	(23,154)	4.3
Interest expense on lease liabilities	(2,578)	(2,554)	0.9
Fair value loss on derivatives[(i)]	(11,405)	-	N.M
Amortisation of transaction costs capitalised[(iv)]	(914)	(1,124)	(18.7)
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(147)	(141)	4.3
Finance costs	(39,185)	(32,500)	20.6
Net finance costs	(37,862)	(29,929)	26.5

(i) *Fair value gain/loss on derivatives relates to the re-measurement of foreign exchange forward contracts, interest rate swap and cross-currency interest rate swap contracts entered into by H-REIT to partially hedge its currency and interest rate risks. Any fair value gains or losses arising from the remeasurement of derivatives do not impact the distribution to Securityholders.*

(ii) *The exchange gain of CDLHT for 1H 2025 mainly arose from the depreciation of US Dollar ("**USD**") denominated borrowings against SGD, as well as appreciation of the Group's certain foreign currency denominated cash and receivables against SGD. During the comparative period in 1H 2024, the exchange loss was mainly from the appreciation of US Dollar ("**USD**"), Sterling Pound ("**GBP**") and Euro ("**EUR**") denominated borrowings against SGD.*

(iii) *The interest paid/payable to banks for 1H 2025 was higher yoy mainly as a result of increased interest expense from amounts drawn to finance the UK BTR (capitalised prior to completion in July 2024), its acquisitions of Hotel Indigo Exeter and Benson Yard towards the end of FY 2024 and ongoing asset enhancement initiatives, as well as higher funding costs on the Group's fixed rate loans re-financed.*

(iv) *The amortisation costs in 1H 2025 relate to the amortisation of transaction costs arising from CDLHT's borrowings.*

(i) *Non-controlling interests relate to the interest owned by the minority shareholders in relation to Pullman Hotel Munich and Hotel Cerretani Firenze.*

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

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS, H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

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

	Footnote	H-REIT Group		HBT Group[a]		CDL Hospitality Trusts	
		30 Jun 2025 S$'000	31 Dec 2024 S$'000	30 Jun 2025 S$'000	31 Dec 2024 S$'000	30 Jun 2025 S$'000	31 Dec 2024 S$'000
ASSETS							
Non-current assets							
Investment properties	(b)	2,849,442	2,828,851	167,474	163,430	2,500,460	2,478,796
Property, plant and equipment	(c)	82,952	82,402	310,211	313,894	844,496	846,454
Deferred tax assets		763	727	865	795	1,208	1,522
Finance lease receivables		2,940	3,435	-	-	2,940	3,435
Financial derivative assets	(d)	4,994	8,065	-	-	4,994	8,065
Other receivables		230,918	222,745	367	529	516	677
		3,172,009	3,146,225	478,917	478,648	3,354,614	3,338,949
Current assets							
Inventories		-	-	2,157	2,501	2,157	2,501
Trade and other receivables		42,575	43,290	22,540	24,049	28,765	31,298
Finance lease receivables		968	910	-	-	968	910
Financial derivative assets	(d)	-	655	-	-	-	655
Cash and cash equivalents		59,797	56,575	20,874	21,713	80,671	78,288
		103,340	101,430	45,571	48,263	112,561	113,652
Total assets		**3,275,349**	**3,247,655**	**524,488**	**526,911**	**3,467,175**	**3,452,601**
LIABILITIES							
Non-current liabilities							
Loans and borrowings	(e)	972,007	786,179	324,625	314,240	1,065,863	877,823
Lease liabilities	(f)	122,023	121,665	101,511	107,800	140,699	139,907
Rental deposits	(g)	11,527	11,251	-	-	11,527	11,251
Other payables	(h)	933	848	33	57	966	905
Financial derivative liabilities	(d)	3,264	548	-	-	3,264	548
Deferred tax liabilities	(i)	21,406	21,203	25,008	26,058	49,567	49,548
		1,131,160	941,694	451,177	448,155	1,271,886	1,079,982
Current liabilities							
Loans and borrowings	(e)	320,417	460,223	-	-	320,417	460,223
Lease liabilities	(f)	1,136	1,077	9,251	9,333	1,193	1,125
Trade and other payables	(h)	35,645	41,267	74,105	75,128	56,760	62,685
Financial derivative liabilities	(d)	5,234	179	-	-	5,234	179
Provision for taxation	(j)	5,950	5,831	704	2,290	6,654	8,121
		368,382	508,577	84,060	86,751	390,258	532,333
Total liabilities		**1,499,542**	**1,450,271**	**535,237**	**534,906**	**1,662,144**	**1,612,315**
Net assets/(liabilities)		**1,775,807**	**1,797,384**	**(10,749)**	**(7,995)**	**1,805,031**	**1,840,286**
Represented by:							
Unitholders' funds		1,767,499	1,789,476	(10,749)	(7,995)	1,796,723	1,832,378
Non-controlling interests	(k)	8,308	7,908	-	-	8,308	7,908
		1,775,807	**1,797,384**	**(10,749)**	**(7,995)**	**1,805,031**	**1,840,286**

Review of financial position

(a) *The Statement of Financial Position of HBT Group comprises the hotel operations of W Hotel, Raffles Maldives Meradhoo, the Japan Hotels, the Perth Hotels, the Hilton Hotel, The Lowry Hotel and Hotel Indigo Exeter and the UK BTR.*

(b) *In 1H 2025, the increase in investment properties at CDLHT was mainly attributed to additional capital expenditure of S$7.6 million and net translation gain of S$13.0 million relating to its overseas properties.*

(c) *The property, plant and equipment at H-REIT Group and HBT Group comprise the Japan Hotels and the Hilton Hotel, The Lowry Hotel and Hotel Indigo Exeter respectively.*

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

The decrease in property, plant and equipment at CDLHT is mainly due to the recognition of depreciation expenses of S$12.6 million, offset by the additions of S$9.4 million and net translation gain of S$1.2 million.

(d) *Movement in financial derivatives arose from fair value changes upon re-measurement of foreign exchange forward contracts, interest rate swaps and cross-currency interest rate swaps.*

(e) *Loans and borrowings of CDLHT of S$1.4 billion (as at 31 December 2024: S$1.3 billion), which are measured at amortised cost, comprise JPY3.1 billion (S$27.2 million) TMK bond and S$1.4 billion bank loans, as explained under Section 1(b)(ii) on pages 7 to 9 of the Announcement. Movements during the reporting period include drawdowns to fund the working capital and capital expenditure of the Group's properties.*

The net current liabilities position for CDLHT as at 30 June 2025 was mainly attributed to borrowings falling due within one year. If the borrowings falling due within one year were excluded, CDLHT would post a net current asset position of S$42.7 million as at 30 June 2025 instead. Notwithstanding the net current liabilities position, CDLHT has an established S$1.0 billion Multicurrency Medium Term Note Programme (as disclosed under Section 1(b)(ii) footnote (iii) on page 9 of the Announcement) and revolving credit facilities to meet its current obligations as and when they fall due.

(f) *Lease liabilities represent CDLHT's obligation to make lease payments in relation to the ROU assets recognised in accordance to SFRS(I) 16/FRS 116.*

(g) *Rental deposits mainly relate to rental deposits collected from the master lessees of Singapore hotels (excluding W Hotel) and tenants at Claymore Connect and the Japan Hotels' convenient shop, stated at amortised cost.*

(h) *Trade and other payables for the Group relates mainly to payables for operational and trust expenses.*

(i) *The deferred tax liabilities mainly relate to the New Zealand Hotel, the Perth Hotels, the UK Hotels and UK BTR.*

(j) *Provision for taxation comprises tax provisions arising mainly from the Group's overseas properties.*

(k) *Non-controlling interests relate to the interests owned by the minority shareholder in relation to the Pullman Hotel Munich and the Hotel Cerretani Firenze.*

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

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS, H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

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

	H-REIT Group		HBT Group		CDL Hospitality Trusts	
	30 Jun 2025 S$'000	31 Dec 2024 S$'000	30 Jun 2025 S$'000	31 Dec 2024 S$'000	30 Jun 2025 S$'000	31 Dec 2024 S$'000
Amount repayable after one year						
Secured borrowings[(a)]	65,289	-	-	-	65,289	-
Unsecured borrowings[(b)]	910,545	789,684	94,068	91,930	1,004,613	881,614
	975,834	789,684	94,068	91,930	1,069,902	881,614
Amount repayable within one year						
Secured borrowings[(a)]	-	62,150	-	-	-	62,150
Secured TMK bond	27,280	26,753	-	-	27,280	26,753
Unsecured borrowings[(b)]	293,240	371,648	-	-	293,240	371,648
	320,520	460,551	-	-	320,520	460,551
Total borrowings[(c)]	1,296,354	1,250,235	94,068	91,930	1,390,422	1,342,165

(a) During the reporting period, H-REIT refinanced its existing onshore secured fixed rate term loan of S$65.3 million (€44.0 million) for another 3 years.

(b) In 1Q 2025, H-REIT refinanced its S$200.0 million committed multi-currency unsecured revolving credit facility ("RCF") to two Sustainability-linked committed RCF for 3 years, increasing the total sustainability-linked facilities to S$873.0 million.

(c) The borrowings are presented before the deduction of unamortised transaction costs.

The H-REIT Manager is committed to optimising asset performance and cash flow while maintaining prudent debt levels to capitalise on acquisition opportunities. In line with the Monetary Authority of Singapore's regulations, an aggregate leverage limit of 50% and a minimum interest coverage ratio ("**ICR**") of 1.5 times are adhered to. As at 30 June 2025, CDLHT's aggregate leverage ratio was 42.0%, which was within the 50% limit allowed under the Monetary Authority of Singapore Property Funds Appendix. The ICR of H-REIT Group was 2.11[1] times as of 30 June 2025. For the purpose of computing interest coverage ratio, interest expense excludes interest expense on lease liabilities. Hedging strategies are also implemented to mitigate risks from fluctuations in interest rates and foreign exchange rates.

Below shows the sensitivity analyses on the impact to the ICR of H-REIT Group under each of the following scenarios: (i) a 10% decrease in EBITDA; and (ii) a 100 basis points increase in weighted average interest rate:

As at 30 June 2025	Assumptions	
	10% Decrease in EBITDA	100 bps Increase in Weighted Average Interest Rate [2]
2.11x	1.90x	1.66x

[1] Computed by using trailing 12 months earnings before interest, tax, depreciation and amortisation ("EBITDA") (excluding effects of any fair value changes of derivatives and investment properties and foreign exchange translation), divided by the trailing 12 months interest expense and borrowing-related fees.
[2] Assuming 100 bps increase in the weighted average interest rate of all hedged and unhedged borrowings for H-REIT Group.

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

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS, H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

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

Details of borrowings

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

Facilities		H-REIT Group			HBT Group			CDL Hospitality Trusts		
		30 Jun 2025			30 Jun 2025			30 Jun 2025		
Currency	Type*	Facility amount	Drawn down	Undrawn	Facility amount	Drawn down	Undrawn	Facility amount	Drawn down	Undrawn
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
JPY	TMK bond (¥3.1 billion)[(i)]	27,280	27,280	-	-	-	-	27,280	27,280	-
JPY	5-year term loan (¥3.27 billion)	28,776	28,776	-	-	-	-	28,776	28,776	-
SGD	Medium term note[(iii)]	1,000,000	-	1,000,000	-	-	-	1,000,000	-	1,000,000
SGD	Bridge loans[(iv)]	300,000	108,618	191,382	100,000	-	100,000	400,000	108,618	291,382
SGD	Revolving credit (uncommitted)	100,000	65,606	34,394	-	-	-	100,000	65,606	34,394
SGD	3-year revolving credit (committed)	350,000	262,099	87,901	-	-	-	350,000	262,099	87,901
SGD	3-5-year term loans	451,840	451,840	-	-	-	-	451,840	451,840	-
EUR	3-5-year term loans (€79.6 million)[(ii)]	118,114	118,114	-	-	-	-	118,114	118,114	-
GBP	4-5-year term loans (£188.3 million)	234,021	234,021	-	94,068	94,068	-	328,089	328,089	-
		2,610,031	**1,296,354**	**1,313,677**	**194,068**	**94,068**	**100,000**	**2,804,099**	**1,390,422**	**1,413,677**

* Apart from the TMK bond and the 3-year EUR term loan, all the borrowings of the Group are unsecured.

Excluded from the borrowings above are the lease liabilities of S$123.2 million, S$110.8 million and S$141.9 million for H-REIT Group, HBT Group and CDLHT respectively, which are secured over the finance lease receivables and right-of-use assets (recognised as part of investment properties and property, plant and equipment).

(i) Secured TMK bond

The TMK bond included in H-REIT Group relates to 5-year Japanese yen denominated bond of JPY3.1 billion (S$27.3 million) issued by H-REIT's indirectly owned subsidiary, CDLHT Hanei Tokutei Mokuteki Kaisha. CDLHT's interest in Japan Hotels is held via a Tokutei Mokuteki Kaisha ("**TMK**") structure, and such TMK structure is required to issue bond to partially fund the acquisition of Japan assets.

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

(ii) Secured bank loan

The secured bank loan relates to a 3-year fixed rate loan of €44.0 million (S$65.3 million) drawn down by H-REIT's indirectly owned subsidiary, NKS Hospitality I B.V..

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

(iii) Unsecured medium term notes

H-REIT's wholly-owned subsidiary, CDLHT MTN Pte. Ltd. has in place a S$1.0 billion Multi-currency Medium Term Note Programme.

As at 30 June 2025, there are no outstanding medium term notes.

(iv) Unsecured bridge loans

H-REIT and HBT have in place a S$300.0 million and S$100.0 million uncommitted multi-currency bridge loan facility with a bank respectively (the "**Bridge Loan Facilities**") mainly to fund acquisitions.

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

As at 30 June 2025, S$36.7 million was drawn to fund the acquisition of Hotel Indigo Exeter (completed on 6 November 2024) and €48.5 million (S$72.0 million) was drawn to fund the acquisition of Benson Yard (completed on 19 December 2024).

2 Review of the performance for the six months period ended 30 June 2025

2 (i) Breakdown of Total Revenue by Geography

	Footnote	H-REIT Group			HBT Group			CDL Hospitality Trusts		
		2Q 2025 S$'000	2Q 2024 S$'000	Better/ (Worse) %	2Q 2025 S$'000	2Q 2024 S$'000	Better/ (Worse) %	2Q 2025 S$'000	2Q 2024 S$'000	Better/ (Worse) %
Assets with External Leases										
Singapore										
- Hotels		14,668	16,861	(13.0)	-	-	-	14,668	16,861	(13.0)
- Claymore Connect		2,080	2,040	2.0	-	-	-	2,080	2,040	2.0
New Zealand		267	908	(70.6)	-	-	-	267	908	(70.6)
Maldives	(c)	1,288	1,377	(6.5)	-	-	-	1,288	1,377	(6.5)
United Kingdom										
- Hotels	(d)	1,176	1,117	5.3	163	-	N.M	1,339	1,117	19.9
- Living Assets		1,620	-	N.M	1,966	-	N.M	3,586	-	N.M
Germany	(e)	2,503	2,708	(7.6)	-	-	-	2,503	2,708	(7.6)
Italy	(f)	1,418	2,097	(32.4)	-	-	-	1,418	2,097	(32.4)
		25,020	27,108	(7.7)	2,129	-	N.M	27,149	27,108	0.2
Managed hotels										
Singapore		1,527	2,957	(48.4)	10,917	13,609	(19.8)	10,917	13,609	(19.8)
Australia	(a)	1,170	1,146	2.1	5,650	5,166	9.4	5,683	5,166	10.0
Japan	(b)	1,450	1,210	19.8	2,681	2,241	19.6	2,681	2,241	19.6
Maldives	(c)	975	553	76.3	1,885	2,302	(18.1)	1,885	2,302	(18.1)
United Kingdom	(d)	-	-	-	13,354	11,665	14.5	13,354	11,665	14.5
		5,122	5,866	(12.7)	34,487	34,983	(1.4)	34,520	34,983	(1.3)
Total		30,142	32,974	(8.6)	36,616	34,983	4.7	61,669	62,091	(0.7)

2 (i) Breakdown of Total Revenue by Geography

	Footnote	H-REIT Group			HBT Group			CDL Hospitality Trusts		
		1H 2025 S$'000	1H 2024 S$'000	Better/ (Worse) %	1H 2025 S$'000	1H 2024 S$'000	Better/ (Worse) %	1H 2025 S$'000	1H 2024 S$'000	Better/ (Worse) %
Assets with External Leases										
Singapore										
- Hotels		30,834	35,476	(13.1)	-	-	-	30,834	35,476	(13.1)
- Claymore Connect		4,141	3,985	3.9	-	-	-	4,141	3,985	3.9
New Zealand		1,960	3,143	(37.6)	-	-	-	1,960	3,143	(37.6)
Maldives	(c)	4,634	4,574	1.3	-	-	-	4,634	4,574	1.3
United Kingdom										
- Hotels	(d)	2,301	2,192	5.0	322	-	N.M	2,623	2,192	19.7
- Living Assets		3,169	-	N.M	3,640	-	N.M	6,809	-	N.M
Germany	(e)	4,181	4,471	(6.5)	-	-	-	4,181	4,471	(6.5)
Italy	(f)	1,741	2,745	(36.6)	-	-	-	1,741	2,745	(36.6)
		52,961	56,586	(6.4)	3,962	-	N.M	56,923	56,586	0.6
Managed hotels										
Singapore		3,539	6,815	(48.1)	22,490	27,726	(18.9)	22,490	27,726	(18.9)
Australia	(a)	2,323	2,422	(4.1)	10,807	10,763	0.4	10,840	10,763	0.7
Japan	(b)	2,643	2,395	10.4	4,985	4,406	13.1	4,985	4,406	13.1
Maldives	(c)	1,985	2,018	(1.6)	6,094	7,708	(20.9)	6,094	7,708	(20.9)
United Kingdom	(d)	-	-	-	23,742	20,159	17.8	23,742	20,159	17.8
		10,490	13,650	(23.2)	68,118	70,762	(3.7)	68,151	70,762	(3.7)
Total		63,451	70,236	(9.7)	72,080	70,762	1.9	125,074	127,348	(1.8)

2 (ii) Breakdown of Net Property Income by Geography

	Footnote	H-REIT Group			HBT Group			CDL Hospitality Trusts		
		2Q 2025 S$'000	2Q 2024 S$'000	Better/ (Worse) %	2Q 2025 S$'000	2Q 2024 S$'000	Better/ (Worse) %	2Q 2025 S$'000	2Q 2024 S$'000	Better/ (Worse) %
Singapore										
- Hotels		14,229	17,743	(19.8)	673	748	(10.0)	14,151	17,741	(20.2)
- Claymore Connect		1,568	1,510	3.8	-	-	-	1,568	1,510	3.8
New Zealand		267	908	(70.6)	-	-	-	267	908	(70.6)
Australia	(a)	848	850	(0.2)	1,367	1,326	3.1	1,078	959	12.4
Japan	(b)	1,377	1,144	20.4	(6)	(8)	25.0	1,371	1,137	20.6
Maldives	(c)	1,948	1,627	19.7	(734)	53	N.M	239	667	(64.2)
United Kingdom										
- Hotels	(d)	1,176	1,117	5.3	3,140	2,960	6.1	4,316	4,077	5.9
- Living Assets		1,089	-	N.M	986	-	N.M	2,075	-	N.M
Germany	(e)	2,180	2,561	(14.9)	-	-	-	2,180	2,561	(14.9)
Italy	(f)	1,373	2,054	(33.2)	-	-	-	1,373	2,054	(33.2)
Total		26,055	29,514	(11.7)	5,426	5,079	6.8	28,618	31,614	(9.5)

	Footnote	H-REIT Group			HBT Group			CDL Hospitality Trusts		
		1H 2025 S$'000	1H 2024 S$'000	Better/ (Worse) %	1H 2025 S$'000	1H 2024 S$'000	Better/ (Worse) %	1H 2025 S$'000	1H 2024 S$'000	Better/ (Worse) %
Singapore										
- Hotels		30,377	38,123	(20.3)	1,370	1,627	(15.8)	30,246	38,251	(20.9)
- Claymore Connect		3,191	3,050	4.6	-	-	-	3,191	3,050	4.6
New Zealand		1,960	3,143	(37.6)	-	-	-	1,960	3,143	(37.6)
Australia	(a)	1,633	1,845	(11.5)	2,353	2,845	(17.3)	1,696	2,268	(25.2)
Japan	(b)	2,500	2,262	10.5	(24)	(40)	40.0	2,476	2,222	11.4
Maldives	(c)	5,966	5,977	(0.2)	(613)	909	N.M	3,368	4,868	(30.8)
United Kingdom										
- Hotels	(d)	2,301	2,192	5.0	4,721	4,015	17.6	7,022	6,207	13.1
- Living Assets		1,946	-	N.M	1,765	-	N.M	3,711	-	N.M
Germany	(e)	3,369	3,959	(14.9)	-	-	-	3,369	3,959	(14.9)
Italy	(f)	1,556	2,565	(39.3)	-	-	-	1,556	2,565	(39.3)
Total		54,799	63,116	(13.2)	9,572	9,356	2.3	58,595	66,533	(11.9)

Footnotes

(a) The Perth Hotels include Ibis Perth and Mercure Perth.

With effect from 1 May 2021, there is a lease agreement between H-REIT and HBT's indirect wholly-owned subsidiaries. In turn, HBT's indirect wholly owned subsidiaries, CDL HBT Sun Three Pty Ltd and CDL HBT Sun Four Pty Ltd engaged AAPC Properties Pty Limited (a wholly-owned subsidiary of Accor SA) to continue operating the hotels. In accordance with SFRS(I) 16/FRS 116 Leases, H-REIT Group must account for the base rent on a straight-line basis over the tenor of the lease at S$1.8 million (A$2.1 million) per annum for Ibis Perth and S$2.8 million (A$3.3 million) per annum for Mercure Perth. Accordingly, the gross revenue and NPI under H-REIT Group have been adjusted to reflect this arrangement.

For H-REIT Group, the revenue for 1H 2025 includes S$2.3 million (A$2.8 million) net rental income received from HBT Group (based on the rental income accounted for on a straight-line basis, according to SFRS(I) 16/FRS 116 Leases, and variable rent, if any, arising from the gross operating profit of the Perth Hotels). For the HBT Group, the revenue for the reporting period comprises the entire revenue derived from the operations of the hotels.

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

For H-REIT Group, the revenue for 1H 2025 includes S$2.6 million (JPY296.8 million) net rental income received from HBT Group (based on the gross operating profit of the Japan Hotels). The fiscal period for the Japan Hotels is set at 6-month intervals, from 1 October to 31 March and 1 April to 30 September. This will allow the income from the Japan Hotels to be distributed twice a year, subject to completion of the audit for the relevant period.

(c) The Maldives resorts include a Master Lease and Managed hotel as follows:

(i) Master Lease

*There is a master lease agreement between H-REIT's indirect wholly-owned subsidiary, Sanctuary Sands Maldives Private Limited (the "**Lessor**") and Maldives Bay Pvt Ltd (the "**Lessee**"), a subsidiary of Banyan Tree Holdings Limited. On 1 February 2023, the Lessor entered into a new master lease agreement with the Lessee for 10 years up to 31 January 2033. The revenue for the reporting period includes a minimum rent of US$500,000 per month (based on a minimum rent of US$6.0 million per annum).*

Under the lease agreement, there is a minimum rent top-up cap of US$6.0 million and no further minimum rent top-ups will be payable by Lessee to Lessor after the cumulative top-ups reaches US$6.0 million. As at 30 June 2025, the Lessee paid the Lessor a cumulative top-up amount of US$1.4 million to make up for the shortfall in rent below the minimum rent of US$6.0 million.

(ii) Managed hotel

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

*In turn, HBT's indirect wholly owned subsidiary, CDL HBT Oceanic Maldives Private Limited ("**CDL HBT Oceanic**") engaged AccorHotels to operate the resort as Raffles Maldives Meradhoo.*

For the H-REIT Group, the revenue for 1H 2025 includes S$2.0 million (US$1.5 million) rental income from HBT Group. For the HBT Group, the revenue for the reporting period comprises the entire revenue derived from the operations of the resort.

(d) The UK Hotels includes:

(i) Hilton Cambridge City Centre

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

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

(ii) The Lowry Hotel

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

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

(iii) Hotel Indigo Exeter

Hotel Indigo Exeter and two retail units are owned and operated by HBT's indirectly wholly-owned subsidiaries, CDL HBT Investments (III) Property limited and CDL HBT Investments (III) Retail Limited.

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

*(iv) voco Manchester – City Centre ("**voco Manchester**")*

*There is an Occupational Lease agreement between H-REIT's indirect wholly-owned subsidiary, CDL HREIT Investments (II) Property Limited (the "**Lessor**") and HLD (Manchester) Limited (the "**Lessee**"), which is part of a group under Marshall Holdings Limited.*

Under the Occupational Lease, the lessee pays a fixed rent to the lessor, subject to upward-only rent review provisions, broadly based on inflation. The applicable annual fixed rent from 7 May 2024 to 6 May 2025 was S$4.5 million (£2.7 million). An annual rent review was carried out during the reporting period and the fixed rent has been increased to S$4.7 million (£2.7 million) from 7 May 2025 to 6 May 2026.

*(e) H-REIT's indirect wholly-owned subsidiary owns an interest of 94.9% in Pullman Hotel Munich, which comprises the hotel and its office and retail components. There is a hotel lease agreement between H-REIT's indirect subsidiary, NKS Hospitality I B.V. (the "**Lessor**") and UP Hotel Operations GmbH & Co. KG (the "**Lessee**"). Under this lease, H-REIT will receive rent of around 90% of the net operating profit of the hotel, subject to a guaranteed fixed rent of €3.6 million per annum.*

*Due to the COVID-19 pandemic, the Lessor entered into discussions on temporary rent abatement with its Lessee. A temporary 4-year rent abatement agreement for Pullman Munich was signed in April 2021 ("**Temporary Arrangement**"). Pursuant to the Temporary Arrangement, from April 2021 to 2024, the annual base rent level of the Pullman Hotel Munich has been reduced, starting with €0.6 million in 2021, stepping up annually to €1.2 million in 2022, €1.8 million in 2023, and €2.4 million in 2024, before reverting to the original base rent level of €3.6 million per annum in 2025. Notwithstanding this arrangement, under SFRS(I) 16/FRS 116 Leases, the rental income under this lease modification will be accounted for on a straight-line basis over the remaining lease tenure at S$4.5 million (€3.1 million) per annum. Accordingly, the gross revenue and NPI have been adjusted to reflect this arrangement in 1H 2025.*

*Under the Temporary Arrangement, between April 2021 to December 2024 (the "**Restructured Term**"), after paying for its rent obligations and relevant hotel-related expenses, any losses suffered by the lessee during the Restructured Term will be first funded by the Lessee, but the Lessee will be allowed to clawback the cumulative losses incurred from future variable rent payment obligations. The variable rent formula remains unchanged throughout the Restructured Term or after, except that variable rent will be suspended until the cumulative losses are clawed back by the Lessee. As soon as the cumulative losses are fully clawed back, the Lessor shall be entitled to receive the variable rent thereafter. Lowering the base rent level in the four-year period serves to lower the level of cumulative losses suffered by the lessee and hence lower the amount of clawbacks from future available variable rent. The rationale for the Temporary Arrangement is for business continuity and working together with the lessees is important to navigate the hotel out of the crisis successfully.*

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

*Due to the COVID-19 pandemic, the Lessor entered into discussions on temporary rent abatement with its Lessee. A temporary 5-year rent abatement agreement for Hotel Cerretani Firenze was signed in December 2020 ("**Temporary Arrangement**"). Pursuant to the Temporary Arrangement, from 2020 to 2024, the annual base rent level of the Hotel Cerretani Firenze has been reduced, starting with €0.2 million in 2020, stepping up to €0.6 million in 2023 and €0.9 million in 2024, before reverting to the original base rent level of €1.3 million per annum in 2025. Notwithstanding this arrangement, under SFRS(I) 16/FRS 116 Leases, the rental income under this lease modification will be accounted for on a straight-line basis over the remaining lease tenure at S$1.5 million (€1.1 million) per annum. Accordingly, the gross revenue and NPI has been adjusted to reflect this arrangement in 1H 2025.*

*Under the Temporary Arrangement, between March 2020 to December 2024 (the "**Restructured Term**"), after paying for its rent obligations and relevant hotel related expenses, any losses suffered by the lessee during the Restructured Term will be first funded by the Lessee, but the Lessee will be allowed to clawback the cumulative losses incurred from future variable rent payment obligations. The variable rent formula remains unchanged throughout the Restructured Term or after, except that variable rent will be suspended until the cumulative losses are clawed back by the Lessee. As soon as the cumulative losses are fully clawed back, the Lessor shall be entitled to receive the variable rent thereafter. Lowering the base rent level in the five-year period serves to lower the level of cumulative losses suffered by the lessee and hence lower the amount of clawbacks from future available variable rent. The rationale for the Temporary Arrangement is for business continuity and working together with the lessees is important to navigate the hotel out of the crisis successfully.*

2 (iii) Review of the Performance

Six months period ended 30 June 2025

CDL Hospitality Trusts ("**CDLHT**" or the "**Group**") reported gross revenue of S$125.1 million, easing 1.8% year-on-year ("**yoy**"). Most markets in the portfolio experienced softer operating performance, though revenue growth was recorded in UK, Japan and Australia. The UK portfolio was supported by the inorganic contributions from The Castings, Benson Yard and Hotel Indigo Exeter. Overall portfolio Net Property Income ("**NPI**") experienced a decline of 11.9% yoy to S$58.6 million for 1H 2025, with the performance of W Hotel (impacted by ongoing renovations) accounting for S$3.2 million of the total S$7.9 million net yoy decline.

In the core market of Singapore, RevPAR for the Singapore Hotels fell 14.2% yoy in 1H 2025. The decline was partly attributed to a strong base effect from the prior year, which had seen a surge in demand driven by large-scale events during the first quarter, such as the biennial Singapore Airshow and Taylor Swift concerts — both absent this year. In 2Q 2025, corporate demand remained subdued amid significant global and economic uncertainties, accentuated by tariff concerns. Consequently, RevPAR for 2Q 2025 fell by 12.4% yoy with the W Hotel renovations amplifying the drop.

Visitor arrivals rose modestly to 8.3 million in 1H 2025, representing a 1.9% yoy increase. However, this uptick was insufficient to offset the combined effects of softer market conditions and elevated room supply. Consequently, NPI for the Singapore Hotels declined by 20.9% yoy.

Grand Millennium Auckland recorded a RevPAR decline of 7.1% yoy in 1H 2025, against a backdrop of significant supply growth in recent years which continues to outpace demand in the Auckland market. Performance was impacted by a weaker New Zealand dollar, higher property charges, and the effect of straight-lined rent accounting — where base rent is recognised evenly over the lease term rather than reflecting the actual stepped-up rental payments received. As a result, NPI declined 37.6% yoy, or S$1.2 million, for the period. Excluding the effect of straight-line rent accounting, the NPI decline would have been more moderate at 14.1% or S$0.4 million yoy (8.2% or NZ$0.3 million yoy in local currency terms).

The Perth Hotels achieved a RevPAR growth of 15.9% yoy in 1H 2025, mainly driven by the conversion of the air crew base business at Mercure Perth. Ibis Perth has also shown improvement in average rates following enhancements to its room product. However, its food and beverage operations remained in a ramp-up phase during the reporting period following the completion of renovations in February. Despite higher revenue, performance was weighed down by higher operating expenses, notably payroll and the resumption of strata levy contributions at Mercure Perth. In 1H 2024, no such contribution was required due to sufficient funds in the hotel's strata account. Additionally, the absence of a one-off net income of S$0.3 million recognised in 2Q 2024 — compensation received for Mercure Perth's early release from a quarantine programme — further affected comparability. As a result, NPI for the Perth Hotels declined by 25.2% yoy, or S$0.6 million, for the reporting period. Excluding the one-off compensation, the decline would have been more moderate at 15.5% yoy, or S$0.3 million.

In 1H 2025, the Japan Hotels delivered a 13.7% yoy increase in RevPAR, supported by robust inbound travel and yield management strategies. The uplift was primarily driven by a strong increase in average rates, with the portfolio surpassing prior-year results to record its highest first half ADR and RevPAR at ¥12,655 and ¥11,833 respectively. Correspondingly, NPI for the Japan Hotels rose 11.4% yoy in 1H 2025.

Despite a 9.1% yoy increase in visitor arrivals, the Maldives Resorts registered a 10.9% yoy decline in RevPAR for 1H 2025. While Angsana Velavaru recorded a 7.1% yoy growth in RevPAR driven by stronger occupancy, this was insufficient to offset the 36.5% yoy decline at Raffles Maldives Meradhoo. The underperformance at Raffles Maldives Meradhoo was primarily attributed to increased competition from new luxury and ultra-luxury villa supply closer to Male as well as the reduced connecting flight frequencies. Correspondingly, the NPI for the Maldives Resorts declined by 30.8% yoy, or S$1.5 million, in 1H 2025.

In the UK, Hilton Cambridge City Centre and The Lowry Hotel recorded a combined RevPAR decline of 3.8% yoy for 1H 2025, due to the softer leisure and corporate meeting group activity. On a proforma basis, assuming CDLHT had owned Hotel Indigo Exeter in 1H 2024, the combined RevPAR would have declined by a more modest 2.7% yoy. Improved operating margins at Hilton Cambridge City Centre, supported by lower utility rates, along with the inorganic contribution from Hotel Indigo Exeter, helped offset the NPI shortfall from The Lowry Hotel. In addition, voco Manchester - City Centre (under a fixed rent structure with annual inflation adjustments) contributed a S$0.1 million yoy increase in NPI. Collectively, the four UK hotels delivered a 13.1% yoy increase in NPI for 1H 2025.

The Castings, CDLHT's residential Build-to-Rent ("**BTR**") asset in Manchester, continued its lease-up momentum, reaching a physical occupancy of 74.4% as at 30 June 2025, generating gross revenue of S$3.6 million and NPI of

S$1.8 million for 1H 2025. Meanwhile, Benson Yard, CDLHT's Purpose-Built Student Accommodation ("**PBSA**") asset in Liverpool, recorded an average occupancy of 95.0% for 1H 2025, within the Academic Year 2024/2025. The PBSA generated gross revenue of S$3.2 million and NPI of S$1.9 million during the period. Collectively, the two UK living sector assets contributed S$3.7 million in inorganic NPI for the period, bringing the total UK portfolio (including living and hotel assets) to a S$4.5 million increase yoy, marking a 72.9% yoy uplift.

In Germany, Pullman Hotel Munich posted a 7.1% yoy RevPAR growth in 1H 2025, supported by the addition of air crew base business. This growth was achieved despite the absence of the UEFA European Football Championship matches, which had previously boosted demand during June and July last year. Although higher ADRs and improved profit margins underpinned stronger operating performance, NPI declined by 14.9% yoy or S$0.6 million, mainly due to accounting adjustments. These included the straight-lining of base rent (S$0.9 million yoy impact) and the absence of a S$0.2 million expense write-back recorded in 1H 2024. Excluding these effects, underlying NPI would have increased by 13.7% or S$0.4 million yoy.

In Italy, Hotel Cerretani Firenze saw a 16.2% yoy decline in RevPAR in 1H 2025, reflecting market normalisation following an exceptional 2024 driven by post-pandemic pent-up demand. Performance was further affected by new supply growth in the Florence market and a three-week hotel closure in January 2025 for waterpipe works. There was also a prior year rent true-up adjustment of S$0.2 million yoy and the effect of straight-line rent accounting of S$0.3 million yoy. As a result, NPI declined by 39.3% or S$1.0 million yoy. Excluding the straight-line adjustment, NPI would have declined by 29.5% or S$0.7 million yoy for 1H 2025.

Claymore Connect recorded a 4.6% or S$0.1 million yoy improvement in NPI for the period, mainly attributed to higher rental income from annual escalations on existing leases. As of 30 June 2025, the mall's committed occupancy was 96.9%.

Interest costs for 1H 2025 rose 4.3% or S$1.0 million yoy, mainly due to the commencement of expensing borrowing costs related to the UK BTR (capitalised during the development stage) following its completion in mid-2024, the inclusion of interest expenses from Hotel Indigo Exeter and Benson Yard (collectively, the "**Acquired Assets**") in 4Q 2024, higher rates on the refinancing of some fixed rate loans, as well as funding for ongoing asset enhancement initiatives.

However, on a same store basis excluding interests attributable to the UK BTR and Acquired Assets, interest expenses would have decreased by 8.0% or S$1.8 million yoy. This decline reflects the easing of floating interest rates in 1H 2025 and the Group's proactive interest rate management. During the reporting period, the Group entered into several interest rate swaps totalling S$218.0 million to partially hedge its exposure on certain SGD loans.

The Castings, which commenced operations in mid-July 2024, remained in its gestational ramp-up phase in 1H 2025. Its NPI was insufficient to cover the associated interest costs, which had been capitalised in the same period last year. The decline in overall NPI, coupled with higher total interest costs contributed to a 20.2% year-on-year decline in total distribution (after deducting income retained for working capital) to S$25.1 million for the period. Included within this is a capital distribution of S$5.6 million from the Group's overseas properties, derived from operating cashflows. Distribution per Stapled Security (after deducting income retained for working capital) for 1H 2025 was 1.98 cents, 21.1% lower yoy.

Statistics for CDLHT's Hotels

Singapore Hotels Statistics

	2Q 2025[a]	2Q 2024[a]	Better/(Worse)	1H 2025[b]	1H 2024[b]	Better/(Worse)
Average Occupancy Rate	71.4%	74.6%	(3.3)pp	73.2%	78.4%	(5.2)pp
Average Daily Rate	S$221	S$241	(8.4)%	S$226	S$246	(8.1)%
RevPAR	S$158	S$180	(12.4)%	S$165	S$193	(14.2)%

(a) A total of 4,294 room nights were taken out of inventory in 2Q 2025 at W Hotel for room renovation works. This was against a total of 2,364 room nights that were out of order at Studio M Hotel in 2Q 2024 due to room upgrading works including progressive replacement of air conditioning system. Excluding the out-of-order rooms, for 2Q 2025 and 2Q 2024, occupancy would be 72.7% and 75.4% respectively, while RevPAR would be S$161 and S$182 respectively.

(b) A total of 6,855 room nights were taken out of inventory in 1H 2025 at W Hotel for room renovation works. This was against a total of 4,864 room nights that were out of order at Studio M Hotel in 1H 2024 due to room upgrading works including progressive replacement of air conditioning system. Excluding the out-of-order rooms, for 1H 2025 and 1H 2024, occupancy would be 74.3% and 79.2% respectively while RevPAR would be S$168 and S$195 respectively.

Overseas Hotels – RevPAR by Geography

	2Q 2025	2Q 2024	Better/(Worse) (%)	1H 2025	1H 2024	Better/(Worse) (%)
New Zealand (NZ$) [c]	95	109	(12.2)	127	137	(7.1)
Australia (A$) [d]	142	107	33.0	137	118	15.9
Japan (¥)	12,523	10,806	15.9	11,833	10,410	13.7
Maldives (US$)	229	254	(9.9)	344	386	(10.9)
United Kingdom (£) [e]	130	137	(5.6)	114	117	(2.7)
Germany (€)	132	123	7.4	100	94	7.1
Italy (€) [f]	278	321	(13.4)	195	232	(16.2)

(c) A total 9,497 out of order room nights were recorded at Grand Millennium Auckland in 2Q 2025 due to phase 2 of room refurbishment works. This was against the 8,836 unavailable room nights in 2Q 2024 for phase 1 of the room improvement project. Excluding the out-of-order inventory, the RevPAR for 2Q 2025 and 2Q 2024 would have been NZ$124 and NZ$138 respectively while the RevPAR for 1H 2025 and 1H 2024 would have been NZ$144 and NZ$154 respectively.

(d) As the room enhancement project at Ibis Perth took place from May 2024 to February 2025, a total of 2,402 and 1,922 out of order room nights were recorded for 2Q 2024 and 1Q 2025 respectively. Factoring these out of order room nights, the collective RevPAR for 1H 2025, 1H 2024 and 2Q 2024 would have been A$141, A$122 and A$114 respectively.

(e) The RevPAR for UK excludes voco Manchester - City Centre as the hotel is under a fixed-rent lease and its trading performance does not affect the rent received. It includes Hotel Indigo Exeter (acquired on 6 November 2024), assuming that CDLHT owns it on a same store basis in 2Q 2024 and 1H 2024.

(f) The RevPAR of the Italy Hotel for 1H 2025 is based on total inventory regardless of the three-week closure from 28 January 2025 for water pipe works. Excluding the closure dates, the RevPAR for 1H 2025 would be €215.

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

No forecast has been disclosed.

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

The latest UN Tourism World Tourism Barometer has reported that international arrivals in the first quarter of 2025 increased by 5% year-on-year and surpassed pre-pandemic levels (2019) by 3%. While this marks a promising start to the year, the outlook for international tourism remains clouded by potential headwinds and economic challenges such as weaker economic growth, high travel costs, rising tariffs, and ongoing geopolitical and trade tensions — all of which may weigh on traveller sentiment in the coming months[1].

The turmoil arising from the "most complex" geopolitical situation seen in decades[2] is anticipated to weigh on global economic growth. As a result, many economists have revised their growth projections downwards[3]. Against this uncertain backdrop, CDLHT faces heightened demand-side pressures and increased operational complexities in the near term.

Nonetheless, Singapore's tourism fundamentals remain strong and continue to be bolstered by strategic investments in infrastructure and attractions, which are expected to enhance its appeal over the medium to long term. A robust pipeline of MICE and sporting events, world-class concerts, premier leisure attractions, and increased flight connectivity will reinforce the city-state's positioning as a leading global destination. The recently opened Singapore Oceanarium, alongside other newly launched attractions, including Universal Studios Singapore's Minion Land and Mandai Wildlife Reserve's Rainforest Wild Asia, will add to the vibrancy and diversity of Singapore's tourism landscape. High-profile events, such as the World Aquatics Championships and the Singapore Festival of Football happening in the third quarter, are expected to stimulate inbound demand, while the maiden voyage of the Disney Adventure cruise in December is anticipated to generate meaningful spillover demand for hotels.

Further enhancing Singapore's accessibility and connectivity, the expansion of the Marina Bay Cruise Centre (targeted for end-2025) and the upcoming Johor Bahru–Singapore Rapid Transit System Link (slated for December 2026) are expected to generate long-term opportunities for tourism and hospitality growth, while also introducing new dynamics to demand patterns that CDLHT will closely monitor.

On the supply front, Singapore's hotel inventory is projected to grow by about 931 net rooms in the remainder of 2025, representing approximately 1.3% of current room stock[4]. Despite the modest supply pipeline, the trading environment is expected to remain very competitive as a result of the surge of new hotel openings in the post-pandemic period.

Room renovations at W Singapore – Sentosa Cove are currently underway, with completion targeted by early 2026. The works are being carried out in phases to minimise disruptions to operations. This refurbishment will build upon enhancements made to the hotel's lobby, ballroom, and restaurant in 2023, and is expected to strengthen the property's competitive standing and drive market share growth.

The Auckland market is expected to face continued headwinds, driven by soft demand and high supply of new rooms. Additionally, domestic travel remains subdued and international arrivals have yet to fully recover to pre-pandemic levels[5]. The opening of the New Zealand International Convention Centre (NZICC) in early 2026 is expected to boost demand for the MICE segment in Auckland, which will benefit the nearby Grand Millennium Auckland, which is in its final phase of rooms upgrading. By the end of the year, the finished product, with refreshed porte cochere, rooms, atrium bar, ballroom and other public areas, will provide a distinct competitive edge in the Auckland market. Further, the opening of a nearby downtown underground station in 2026 will improve connectivity to the hotel.

Prospects for Western Australia's tourism sector remain buoyant, underpinned by Perth Airport's A$5 billion transformation, enhanced international and domestic flight connectivity[6] and a A$530 million investment by the state government to bolster the tourism sector. These coordinated efforts are set to position the state as a world-class destination and drive meaningful growth in visitor spend by 2033[7].

[1] UN Tourism, "International tourist arrivals grew 5% in Q1 2025", 27 May 2025
[2] AFP, "World facing 'most complex' situation in decades: WEF", 24 June 2025
[3] Al Jazeera, "World Bank slashes global economic outlook as trade tensions continue", 10 June 2025
[4] Hotels Licensing Board and CDLHT research (Jul 2025)
[5] Stats NZ
[6] Qantas, "Qantas and Perth Airport Reach Landmark Agreement", 31 May 2024
[7] Tourism WA, "Western Australia Visitor Economy Strategy 2033", 11 November 2024

Japan's tourism sector continues to exhibit strong growth, with visitor arrivals reaching record highs this year. Major events such as the World Expo (held every five years) currently ongoing in Osaka and the upcoming Tokyo World Athletics Championship in September, are expected to further drive momentum and spur demand for our Japan Hotels. However, in light of online rumours surrounding a predicted major earthquake in Japan slated for July 2025, there have been emerging signs of a temporary demand slowdown in inbound Asian leisure segments. Nonetheless, 1H visitor arrivals to Japan were healthy, reporting a 21.0% increase year-on-year[8].

Visitor arrivals to the Maldives remain on track to meet the target of 2.4 million tourists in 2025, with 1H arrivals 9.1% ahead of the same period last year[9]. However, the operating environment is expected to remain competitive amid increasing resort supply. The new passenger terminal at Velana International Airport has opened, enhancing capacity fivefold to 7.5 million passengers annually[10] and supporting longer-term tourism growth.

The UK's tourism sector remains broadly positive in 2025, supported by continued market recovery. However, growth may be tempered by policy headwinds, including higher Air Passenger Duty, an expanded Electronic Travel Authorisation scheme that includes European travellers, and a reduced tourism campaign budget[11]. Rising operational costs, particularly from wages, may also pressure margins. Hotel Indigo Exeter, acquired in November 2024, will contribute its first full-year NPI this year.

In Europe, inbound demand from the United States, one of the region's key source markets, may moderate due to ongoing economic and geopolitical headwinds. The Pullman Hotel Munich is expected to benefit from continued aircrew business although corporate travel may experience some softness, particularly from the automotive sector, which is navigating a period of structural transition and subdued momentum. In Florence, inbound demand has softened, and may potentially face further downside risk from the destination's high dependence on travellers from United States and the increase in hotel room supply in 2025, with approximately 1,300 rooms projected to enter the market, representing an increase of 9% from end 2024.

In the living sector, The Castings (UK BTR) and Benson Yard (UK PBSA) will contribute their first full-year NPI in 2025. Leasing activity at The Castings is projected to remain active through the summer and progress towards a stabilised occupancy of above 90% by 4Q 2025. At Benson Yard, leasing for the upcoming Academic Year 2025/26 continues to track at a healthy level. The University of Liverpool, Benson Yard's primary source of students, has risen eighteen places to rank 147th out of 1,500 institutions in the QS World University Rankings 2026, further enhancing its appeal to prospective students[12]. The student accommodation market may also stand to benefit from rising interest in UK universities, amid the current volatile and tenuous climate in the United States[13].

Against a backdrop of growing macroeconomic uncertainty — shaped by geopolitical tensions and global trade disruptions, the Managers remain vigilant in managing currency exposure, operating and financing costs. We continue to implement prudent hedging strategies and as rates descend, transitioning to more fixed-rate borrowings to minimise borrowing costs. In parallel, the Managers are committed to pursuing selective asset enhancement initiatives to deliver sustainable, long-term value to stakeholders.

[8] AFP, "Japan sees record 21.5 million tourists in first six months", 16 July 2025
[9] Ministry of Tourism, Republic of Maldives
[10] The Edition, "MACL begins countdown to July 26 new terminal launch", 21 June 2025
[11] The Guardian, "Travel body accuses government of 'sabotaging' UK tourism industry", 22 April 2025
[12] University of Liverpool, "University breaks into top 150 in QS World Rankings 2026", 19 June 2025
[13] The Financial Times, "American students turn to UK as Donald Trump takes aim at US universities", 28 April 2025

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

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS, H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

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. Representatives 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 2025

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 2025

OPERATIONAL UPDATE FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025

The information in this Appendix V has been extracted and reproduced from the operational update of the H-REIT Group, the HBT Group and the Stapled Group for the third quarter and nine months period ended 30 September 2025 and has not been specifically prepared for inclusion in this Information Memorandum.

CDL HOSPITALITY TRUSTS

A stapled group comprising:

CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES

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

and

CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES

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

CDL HOSPITALITY TRUSTS
OPERATIONAL UPDATE FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025

1. Review of Performance for the Third Quarter and Nine Months Period Ended 30 September 2025

1.1 Breakdown of Total Revenue by Geography

	1 Jul 2025 to 30 Sep 2025 ("3Q 2025") S$'000	1 Jul 2024 to 30 Sep 2024 ("3Q 2024") S$'000	Better/ (Worse) (%)	1 Jan 2025 to 30 Sep 2025 ("YTD Sep 2025") S$'000	1 Jan 2024 to 30 Sep 2024 ("YTD Sep 2024") S$'000	Better/ (Worse) (%)
Assets with External Leases						
Singapore						
- Hotels	18,912	19,656	(3.8)	49,746	55,132	(9.8)
- Claymore Connect	2,101	2,069	1.5	6,242	6,054	3.1
New Zealand	417	1,079	(61.4)	2,377	4,222	(43.7)
Maldives	1,272	1,433	(11.2)	5,906	6,007	(1.7)
United Kingdom						
- Hotels	1,184	1,141	3.8	3,485	3,333	4.6
- Living Assets	3,555 [1]	492	N.M.	10,364 [1]	492	N.M.
Germany [2]	2,705	3,680	(26.5)	6,886	8,151	(15.5)
Italy [3]	878	1,519	(42.2)	2,619	4,264	(38.6)
	31,024	31,069	(0.1)	87,625	87,655	0.0
Managed Hotels						
Singapore	13,739	14,935	(8.0)	36,229	42,661	(15.1)
Australia	5,882	5,360	9.7	16,722	16,123	3.7
Japan	1,977	2,088	(5.3)	6,962	6,494	7.2
Maldives	1,552	2,242	(30.8)	7,646	9,950	(23.2)
United Kingdom	14,982 [4]	11,796	27.0	39,046 [4]	31,955	22.2
	38,132	36,421	4.7	106,605	107,183	(0.5)
Total	**69,156**	**67,490**	**2.5**	**194,230**	**194,838**	**(0.3)**
Total excludes assets undergoing AEI [5]	**55,000**	**51,476**	**6.8**	**155,624**	**147,955**	**5.2**
Total excludes assets undergoing AEI and straight-line rent adjustments [6]	**55,260**	**51,148**	**8.0**	**156,387**	**146,969**	**6.4**

[1] Includes Benson Yard which was acquired on 19 December 2024.
[2] Pursuant to a temporary rent abatement agreement signed in April 2021, the annual base rent was reduced from 2021 to 2024, starting at €0.6 million in 2021 and stepped up to €2.4 million in 2024, before reverting to the original base rent of €3.6 million per annum in 2025. Under FRS 116/SFRS(I) 16 Leases, the base rental income will be accounted for on a straight-line basis over the remaining lease tenure at S$4.6 million (€3.1 million) per year or S$1.1 million (€0.8 million) per quarter.
[3] Pursuant to a temporary rent abatement agreement signed in December 2020, the annual base rent was reduced from 2020 to 2024, starting at €0.2 million in 2020, stepping up annually to a base rent level of €0.9 million in 2024, before reverting to the original base rent level of €1.3 million per annum in 2025. Under FRS 116/SFRS(I) 16 Leases, the base rental income will be accounted for on a straight-line basis over the remaining lease tenure at S$1.6 million (€1.1 million) per year or S$0.4 million (€0.3 million) per quarter.
[4] Includes Hotel Indigo Exeter which was acquired on 6 November 2024.
[5] Excludes Grand Millennium Auckland and W Hotel which were undergoing asset enhancement works ("**AEI**") during the reporting period.
[6] Excludes Grand Millennium Auckland and W Hotel which were undergoing AEI during the reporting period, as well as removing the straight-line rent adjustments recorded for Germany and Italy Hotels.

1.2 Breakdown of Net Property Income ("NPI") by Geography

	3Q 2025 S$'000	3Q 2024 S$'000	Better/ (Worse) (%)	YTD Sep 2025 S$'000	YTD Sep 2024 S$'000	Better/ (Worse) (%)
Singapore						
- Hotels	20,264	22,292	(9.1)	50,510	60,543	(16.6)
- Claymore Connect	1,613	1,525	5.8	4,804	4,575	5.0
New Zealand	417	1,079	(61.4)	2,377	4,222	(43.7)
Australia	1,236	1,050	17.7	2,932	3,318	(11.6)
Japan	869	960	(9.5)	3,345	3,182	5.1
Maldives	6	389	(98.5)	3,374	5,257	(35.8)
United Kingdom						
- Hotels	4,783 [7]	4,405	8.6	11,805 [7]	10,612	11.2
- Living Assets	2,169 [8]	(217)	N.M.	5,880 [8]	(217)	N.M.
Germany	2,113	3,387	(37.6)	5,482	7,346	(25.4)
Italy	831	1,475	(43.7)	2,387	4,040	(40.9)
Total	**34,301**	**36,345**	**(5.6)**	**92,896**	**102,878**	**(9.7)**
Total excludes assets undergoing AEI [5]	**31,260**	**31,309**	**(0.2)**	**85,786**	**89,380**	**(4.0)**
Total excludes assets undergoing AEI and straight-line rent adjustments [6]	**31,520**	**30,981**	**1.7**	**86,549**	**88,394**	**(2.1)**

1.3 Statistics for CDLHT's Hotels

Singapore Hotels Statistics

	3Q 2025[(a)]	3Q 2024[(a)]	Better/ (Worse)	YTD Sep 2025[(b)]	YTD Sep 2024[(b)]	Better/ (Worse)
Average Occupancy Rate	88.3%	84.9%	3.3pp	78.2%	80.6%	(2.3)pp
Average Daily Rate	S$228	S$252	(9.4)%	S$227	S$248	(8.6)%
RevPAR	S$201	S$214	(5.9)%	S$177	S$200	(11.2)%

(a) A total of 1,935 room nights were taken out of inventory in 3Q 2025 at the W Hotel for room renovation works. This was against a total of 2,790 room nights that were out of order at Studio M Hotel for 3Q 2024 due to room upgrading works, including progressive replacement of the air conditioning system. Excluding the out-of-order rooms, occupancy for 3Q 2025 and 3Q 2024 would be 89.0% and 85.9%, respectively, while RevPAR would be S$203 and S$216, respectively.

(b) A total of 8,790 room nights were taken out of inventory for YTD Sep 2025 at the W Hotel for room renovation works. This was against a total of 7,654 room nights that were out of order at Studio M for YTD Sep 2024 due to room upgrading works, including progressive replacement of the air conditioning system. Excluding the out-of-order rooms, for YTD Sep 2025 and YTD Sep 2024, occupancy rates would be 79.2% and 81.5%, respectively, while RevPAR would be S$180 and S$202, respectively.

Overseas Hotels – RevPAR by Geography

	3Q 2025	3Q 2024	Better/ (Worse) (%)	YTD Sep 2025	YTD Sep 2024	Better/ (Worse) (%)
New Zealand (NZ$)[(c)]	95	106	(10.7)	116	127	(8.1)
Australia (A$)[(d)]	144	119	20.7	139	119	17.5
Japan (¥)	9,425	9,762	(3.5)	11,022	10,193	8.1
Maldives (US$)	202	249	(19.2)	296	340	(13.0)
United Kingdom (£)[(e)]	152	146	4.4	127	127	0.1
Germany (€)	119	137	(13.1)	107	108	(1.5)
Italy (€)[(f)]	218	253	(13.9)	203	239	(15.3)

(c) A total of 11,513 and 21,010 out-of-order room nights were recorded at Grand Millennium Auckland in 3Q 2025 and YTD Sep 2025, respectively, due to phase 2 of room refurbishment works. This was against the 10,962 and 19,798 out-of-order room nights unavailable for 3Q 2024 and YTD Sep 2024, respectively, for phase 1 of the room improvement project. Excluding the out-of-order inventory, RevPAR for 3Q 2025 and 3Q 2024, YTD Sep 2025 and YTD Sep 2024, would have been NZ$131, NZ$144, NZ$140, and NZ$151, respectively.

(d) As the room enhancement project at Ibis Perth took place from May 2024 to February 2025, a total of 4,271, 1,922 and 6,673 out-of-order room nights were recorded for 3Q 2024, YTD Sep 2025 and YTD Sep 2024, respectively. Factoring these out-of-order room nights, the collective RevPAR for 3Q 2024, YTD Sep 2025, and YTD Sep 2024 would have been A$134, A$142, and A$126, respectively.

(e) The RevPAR for the UK excludes voco Manchester - City Centre as the hotel is under a fixed-rent lease and its trading performance does not affect the rent received. It includes Hotel Indigo Exeter (acquired on 6 November 2024), assuming that CDLHT owns it on a same-store basis during 3Q 2024 and YTD September 2024.

(f) The RevPAR of the Italy Hotel for YTD Sep 2025 is based on total inventory regardless of the three-week closure from 28 January 2025 for water pipe works. Excluding the closure dates, the RevPAR for YTD Sep 2025 would be €216.

[5] Excludes Grand Millennium Auckland and W Hotel which were undergoing AEI during the reporting period.
[6] Excludes Grand Millennium Auckland and W Hotel which were undergoing AEI during the reporting period, as well as removing the straight-line rent adjustments recorded for Germany and Italy Hotels.
[7] Includes Hotel Indigo Exeter which was acquired on 6 November 2024.
[8] Includes Benson Yard which was acquired on 19 December 2024.

1.4 Review of Performance

Third Quarter Ended 30 September 2025

CDL Hospitality Trusts ("**CDLHT**" or the "**Group**") achieved a gross revenue of S$69.2 million, 2.5% or S$1.7 million higher year-on-year ("**yoy**"), supported by stronger contributions from the Australia and UK portfolios. The UK portfolio continues to benefit from inorganic contributions from The Castings, Benson Yard and Hotel Indigo Exeter, which helped offset softer trading conditions in other regions. While revenue improved, NPI fell by 5.6% or S$2.0 million yoy, reflecting a moderation in RevPAR across the hotel portfolio and higher operating costs. A significant portion of the NPI variance was also a consequence of the ongoing renovation works at W Hotel and Grand Millennium Auckland. The asset enhancement for both hotels are progressing well as planned and are expected to further strengthen the properties' market positioning upon completion. Excluding these two assets which are undergoing asset enhancement works, the Group's gross revenue would have increased by 6.8% or S$3.5 million yoy and the NPI decline would have narrowed significantly to 0.2% or S$0.05 million yoy.

In 3Q 2025, the Singapore Hotels registered a creditable performance, even though there was a 5.9% yoy moderation in RevPAR. The performance of the Singapore Hotels was strong in July and August, boosted by the World Aquatics Championships. However, with the shift of the Formula 1 Singapore Grand Prix to October this year, September 2025 recorded a significantly softer yoy performance, reflecting the broader industry-wide decline due to the change in event timing. Although occupancy remained relatively high at 88.3%, the average room rate declined due to the absence of the premium rates associated with F1, thus weighing on the quarter. Additionally, W Hotel's performance was further impacted by the resumption of room renovations in mid-August following a six-week pause. Claymore Connect recorded a 5.8% yoy improvement in NPI for 3Q 2025 due to the higher rental reversions. Committed occupancy as of 30 September 2025 was 96.9%. Collectively, the Singapore portfolio posted a NPI decrease of 8.1% or S$1.9 million yoy for the quarter. Excluding the W Hotel, NPI would have decreased by 3.1% or S$0.6 million yoy for the quarter.

In New Zealand, Grand Millennium Auckland recorded a RevPAR decrease of 10.7% yoy in 3Q 2025, due to a competitive market, as well as disruptions caused by main entrance, driveway and rooms refurbishment works. Performance was further impacted by a weaker NZD, and the effect of straight-line rent accounting, resulting in an NPI decline of 61.4% or S$0.7 million yoy for the quarter. Excluding the effect of the straight-line rent accounting, the NPI decline would have been more moderate at 42.9% or S$0.5 million yoy (38.7% or NZ$0.5 million yoy in local currency terms).

The Perth Hotels achieved a 20.7% yoy RevPAR growth in 3Q 2025, supported by the uplift from the renovated rooms at Ibis Perth and the commencement of the air crew base business at Mercure Perth from late November 2024, although the lower volume of conference business in the quarter at Mercure Perth diluted the overall revenue gains. Despite the weakened AUD, the Perth Hotels registered a 17.7% yoy collective NPI improvement for the reporting quarter.

In Japan, the Tokyo Hotels recorded a RevPAR decline of 3.5% yoy, primarily driven by cancellations in July 2025 that were triggered by widely circulated earthquake rumours. The market also witnessed a shift in international visitor traffic to the Kansai region for the World Expo held in Osaka during July and August. Consequently, NPI decreased 9.5% or S$0.1 million yoy for the quarter, further impacted by the depreciation of the JPY against SGD.

The Maldives Resorts registered a 19.2% yoy decline in RevPAR for 3Q 2025. While Angsana Velavaru achieved yoy occupancy gains, intensified competition pressured average rates and narrowed margins. A minimum rent was recognised for the quarter, consistent with previous low seasons. Raffles Maldives Meradhoo recorded weaker performance, particularly during the low and shoulder seasons with reduced flight frequencies. Furthermore, as expected, the announcement of the resort's rebranding to *The Halcyon Private Isles Maldives, Autograph Collection* and the associated transition period had an impact on its performance. Accordingly, the Maldives Resorts posted a decrease in NPI of S$0.4 million yoy for 3Q 2025.

Hilton Cambridge City Centre, The Lowry Hotel and Hotel Indigo Exeter (on a proforma basis, assuming CDLHT had owned hotel in 3Q 2024), delivered a combined RevPAR growth of 4.4% yoy in 3Q 2025, supported by a robust event calendar in Manchester. Hotel Indigo Exeter, which was newly acquired at the end of 2024, contributed to the portfolio's inorganic growth during the quarter. Together with voco Manchester - City Centre, which contributes an inflation-adjusted fixed rent, NPI for UK Hotels rose 8.6% yoy or S$0.4 million.

CDLHT's Purpose-Built Student Accommodation ("**PBSA**") asset in Liverpool, Benson Yard recorded a committed occupancy of 95.0% for AY 2024/2025, which ended in August 2025. As is typical for the UK PBSA sector, some students vacate the building during the summer break (July – August), resulting in a seasonal dip in the average physical occupancy during this period. The new academic year (AY 2025/2026) commenced in September 2025, with Benson Yard securing a committed occupancy of 97.0% as at 30 September 2025. As 3Q 2025 spans the transition between the two academic years — covering both the summer vacancy period and the start of the new intake — the property recorded an average occupancy of 76.0% for the quarter, generating gross revenue of S$1.3 million and NPI of S$0.8 million during the period.

The Castings, CDLHT's residential Build-to-Rent ("**BTR**") asset in Manchester recorded a physical occupancy of 90.1% as at 30 September 2025 and generated gross revenue of S$2.2 million and NPI of S$1.3 million for 3Q 2025. Collectively, the two UK living sector assets contributed S$2.2 million in inorganic NPI for the quarter. Including contributions from CDLHT's UK Hotel assets, the total UK portfolio recorded a 66.0% or S$2.8 million yoy increase in NPI for the quarter.

In Germany, the Pullman Hotel Munich recorded a decrease in RevPAR of 13.1% yoy in 3Q 2025, following an exceptionally strong 3Q in the prior year that benefited from major events including two UEFA European Football Championship matches and high-profile concerts. This, in addition to adjustments relating to straight-line rent accounting of S$0.4 million and an audit adjustment for under-accrued expenses of S$0.3 million following the finalisation of prior years' audited accounts (collectively S$0.7 million yoy), led NPI to decrease by 37.6% or S$1.3 million yoy. Excluding these adjustments, NPI would have instead decreased by 17.7% or S$0.6 million yoy for the quarter.

In Italy, Hotel Cerretani Firenze recorded a 13.9% yoy decline in RevPAR for 3Q 2025, reflective of market normalisation following an exceptional 2024, driven by post-pandemic demand highs. Performance was also affected by increased supply in the Florence market. Coupled with the effect of straight-line rent accounting and a rent accrual adjustment, NPI decreased by 43.7% or S$0.6 million yoy for 3Q 2025. Excluding these effects, NPI would have declined by 26.4% or S$0.4 million yoy.

Nine Months Period Ended 30 September 2025

CDLHT's gross revenue remained stable yoy at S$194.2 million, supported by continued growth from the UK, Japan and Australia portfolios, as well as inorganic contributions from The Castings, Benson Yard and Hotel Indigo Exeter. Claymore Connect, CDLHT's retail mall in Singapore, also contributed positively, with revenue up 3.1% yoy due to annual rent escalations. These gains helped to cushion the softer trading contributions from the other assets, underscoring the diversified earnings base.

NPI was S$92.9 million for YTD Sep 2025, 9.7% or S$10.0 million lower yoy, largely due to the temporary impact of ongoing renovations works at the W Hotel and Grand Millennium Auckland, which together accounted for approximately S$6.4 million or 64.0% of the overall decline. Excluding both hotels which are undergoing asset enhancement works, the Group's gross revenue would have increased 5.2% or S$7.7 million yoy, while the NPI decline would have moderated to 4.0% or S$3.6 million yoy, with portfolio results reflecting both the inclusion of newly acquired assets and varied market dynamics.

For YTD Sep 2025, the Singapore Hotels recorded a 11.2% yoy decline in RevPAR, largely due to rate adjustments with occupancy slightly lower. Rate performance was influenced by a softer events calendar, shorter booking windows, alongside intensified competition from new hotel supply. These new entrants, seeking to establish market share from a zero base, contributed to a more aggressive pricing landscape. Reduced room inventory from ongoing renovations at the W Hotel also contributed to the weaker results. Consequently, NPI for the Singapore portfolio declined by 15.1% or S$9.8 million yoy, to S$55.3 million, partly affected by higher operating costs. Excluding the W Hotel, NPI would have decreased by 9.4% or S$5.3 million yoy.

Grand Millennium Auckland's RevPAR declined 8.1% yoy for YTD Sep 2025, as the significant supply growth in recent years continued to outpace demand in the Auckland market which has yet to recover to pre-pandemic levels. The recommencement of the second phase of room enhancement works from April 2025 further weighed on performance. As a result, NPI declined by 43.7% or S$1.8 million yoy, compounded by the straight-line rent adjustment (S$1.0 million yoy) and the weakening NZD against SGD. Excluding the impact of straight-line rent accounting, the NPI decline would have been less pronounced at 21.6% or S$0.8 million yoy (or 16.3% or NZ$0.8 million yoy in local currency terms).

The Perth Hotels delivered a significantly improved RevPAR performance, rising by 17.5% yoy for YTD Sep 2025. This was bolstered by the air crew base business at Mercure Perth and the completion of room renovation works at Ibis Perth in early 2025. Ibis Perth has continued to deliver significant performance improvement as the newly enhanced product gained traction in the marketplace. While food and beverage operations at Ibis Perth remained in their ramp-up phase post-upgrading, higher operating expenses, particularly payroll and the resumption of strata levy contributions at Mercure Perth from July 2024 offset the NPI uplift from Ibis Perth. In addition, the absence of a one-off net income of S$0.3 million recognised in 2Q 2024, relating to compensation received for Mercure Perth's early release from a quarantine programme during COVID, further affected yoy comparability. As a result, NPI for the Perth Hotels declined by 11.6% or S$0.4 million yoy. Excluding this one-off item, the decline would have been narrower at 2.9% or S$0.1 million yoy.

Driven by healthy inbound arrivals, the Japan Hotels achieved a RevPAR increase of 8.1% yoy for YTD Sep 2025, despite a slight slowdown in performance in 3Q 2025. The portfolio surpassed prior-year results, recording its highest YTD Sep ADR and RevPAR at ¥11,738 and ¥11,022, respectively. Notwithstanding the depreciation of the JPY against SGD, NPI for the Japan Hotels rose by 5.1% or S$0.2 million yoy for YTD Sep 2025.

The Maldives Resorts registered a 13.0% yoy decline in RevPAR for YTD Sep 2025. While Angsana Velavaru recorded a 2.5% yoy growth in RevPAR driven by stronger occupancy, this was insufficient to offset the 37.1% yoy decline at Raffles Maldives Meradhoo. Intensified competition from new luxury resort developments nearer to Malé, reduced flight connectivity, compounded by transitional effects following the resort's rebranding announcement, undermined business momentum at

Raffles Maldives Meradhoo. Correspondingly, the NPI for the Maldives Resorts declined by 35.8% or S$1.9 million yoy for the reporting period.

In the UK, Hilton Cambridge City Centre and The Lowry Hotel recorded a collective RevPAR decline of 0.6% yoy for YTD Sep 2025, attributed to softer leisure demand and subdued corporate activity. On a proforma basis, assuming CDLHT had owned Hotel Indigo Exeter for YTD Sep 2024, the combined RevPAR would have increased marginally by 0.1% yoy. In addition, NPI contribution from voco Manchester - City Centre, under its inflation-adjusted fixed rent structure, increased by 4.6% or S$0.2 million yoy. Together with inorganic contribution from Hotel Indigo Exeter, this supported a collective NPI increase of 11.2% or S$1.2 million yoy for the UK Hotels.

In the UK living sector, The Castings (UK BTR) achieved a physical occupancy of 90.1% as of 30 September 2025 and contributed NPI of S$3.1 million for the period. Benson Yard (UK PBSA) recorded an average occupancy of 88.1% for YTD Sep 2025, which largely coincided with the Academic Year 2024/2025, which ended in August 2025. With the commencement of the new academic year in September 2025, Benson Yard has secured a committed occupancy of 97.0% for the Academic Year 2025/2026. The PBSA asset reported NPI of S$2.8 million for YTD Sep 25. Collectively, the two UK living sector assets contributed S$5.9 million in inorganic NPI for the period, bringing the total UK portfolio (living and hotel assets) to a 70.1% or S$7.3 million increase yoy for YTD Sep 2025.

In Germany, Pullman Hotel Munich's RevPAR declined by 1.5% yoy for YTD Sep 2025. While early contributions from the addition of air crew base business supported performance, these were offset by a softer event calendar in 3Q 2025, which reduced compression dates and limited rate growth. In addition, the inclusion of an audit adjustment for under accrued expenses of S$0.3 million following the finalisation of prior years' audited accounts, an accounting straight-line rent adjustment of S$1.3 million yoy and the absence of a S$0.2 million expense writeback recorded last year, collectively contributed to the 25.4% or S$1.9 million yoy decrease in NPI for YTD Sep 2025. Excluding these adjustments, the yoy decrease in NPI would have been much lower at 1.6% or S$0.1 million yoy for YTD Sep 2025.

In Italy, Hotel Cerretani Firenze recorded a 15.3% yoy decline in RevPAR for YTD Sep 2025, due to market normalisation following an exceptional 2024 when demand soared during an extraordinary post-pandemic growth phase. The softer performance was further affected by an increase in room stock, and a three-week hotel closure in January 2025 to facilitate waterpipe works. Consequently, NPI fell by 40.9% or S$1.7 million yoy, coupled with a prior-year rent true-up adjustment of S$0.2 million yoy and the effect of straight-line rent accounting of S$0.4 million yoy. Excluding these adjustments, NPI would have declined by a lesser extent, at 27.8% or S$1.1 million yoy for YTD Sep 2025.

2. Outlook and Prospects

International tourism posted robust momentum in 2025 so far, with international tourist arrivals rising 5% yoy for the first half of 2025 and exceeding 2019 levels by 4% for the same period. While demand could be tempered by elevated costs, slower global economic growth, rising tariffs, and persistent geopolitical and trade tensions, the UN Tourism's full-year forecast of 3% to 5% arrivals growth remains unchanged, underscoring the sector's resilience and positive outlook.[1]

Against this global backdrop, our core market of Singapore is strengthening its position as an attractive destination with a compelling value proposition. Under the government's Tourism 2040 roadmap which targets to treble MICE tourism receipts, the Singapore Tourism Board ("**STB**") is sharpening the nation's competitive edge through targeted initiatives including building a robust pipeline of MICE events, expanding MICE infrastructure and enhancing bleisure offerings. These efforts will reinforce Singapore's status as the premier destination for business travel and events.[2]

Newly opened major attractions, such as the Singapore Oceanarium, Universal Studios Singapore's Minion Land and Mandai Wildlife Reserve's Rainforest Wild Asia, are set to drive incremental leisure demand. A vibrant event calendar featuring the Formula 1 Singapore Grand Prix and ancillary events, world class concerts, the Disney adventure cruise debut, and the Singapore Airshow will further underpin near term visitor growth. In particular, CDLHT's Singapore Hotels delivered a solid performance during the Formula 1 Singapore Grand Prix period, with RevPAR (over four nights) rising by 24.6% yoy compared with the corresponding event period last year[3], driven by higher occupancy and average rates across the portfolio. The uplift from this year's strong Formula 1 performance will be reflected in the fourth-quarter results, as the event took place in October, compared with the prior year when it was held within the third-quarter reporting period. The Marina Bay Cruise Centre expansion (targeted for end-2025) and the Johor Bahru–Singapore Rapid Transit System Link (slated for December 2026) will strengthen inbound connectivity and unlock long-term opportunities for Singapore's tourism and hospitality sectors, while reshaping demand dynamics that CDLHT will actively monitor.

Even though Singapore's supply pipeline remains limited for the remainder of 2025 and 2026[4], trading conditions are expected to stay competitive given the number of new hotel openings over the last few years.

W Singapore – Sentosa Cove is undergoing phased room renovations to minimise disruption during peak periods, with works expected to be substantively completed around the end of 2025. The refreshed product is anticipated to support higher room rates and enhance operating performance, with the full impact expected to be realised in 2026.

The Auckland hospitality market has been challenging, amid elevated new hotel room supply and subdued travel market, with international visitor arrivals yet to fully recover to pre-pandemic levels. Nevertheless, its medium-term outlook is supported by several positive catalysts. The opening of the New Zealand International Convention Centre in early 2026 is anticipated to drive stronger MICE demand, positioning the Grand Millennium Auckland to capture this uplift as it completes its multi-year refurbishment by end-2025. The upgraded hotel, which recently earned the prestigious Qualmark New Zealand 5-star rating, will also gain from enhanced city connectivity once the new downtown underground station nearby opens in 2026. Furthermore, the government's NZ$70 million events and tourism investment package—including a NZ$40 million Events Attraction Programme aimed at securing large-scale international events from 2026—provides an additional tailwind expected to stimulate visitor arrivals and elevate Auckland's destination appeal[5]. In addition, from 3 November 2025, Chinese tourists travelling from Australia with a valid Australian visa will be able to travel to New Zealand for up to 3 months without applying for a visa[6].

The comprehensive refurbishment of Ibis Perth was completed in February 2025, encompassing all 192 guestrooms and main public spaces including the lobby, bar, and restaurant. The hotel is poised to realise the full uplift of the transformation in 2026. In the medium term, Western Australia's tourism industry will be supported by Perth Airport's A$5 billion redevelopment, improved flight connectivity, and a A$530 million commitment from the state government to drive tourism growth[7].

International arrivals to Japan continue to hit record monthly highs and are on track to exceed the projected annual target of 40.2 million visitors[8], supported by the country's strong appeal as a travel destination and favourable currency conditions, creating positive trading conditions for our hotels.

Operational challenges in the Maldives persist, driven by competition from new luxury resort developments, air connectivity constraints affecting Raffles Maldives Meradhoo, and higher visitor taxes. The rebranding of the Raffles Maldives Meradhoo to The Halcyon Private Isles Maldives, Autograph Collection on 1 November 2025 will position the resort to capitalise on Marriott Bonvoy's expansive global distribution network and established loyalty programme. However, as is typical for rebranding exercises, a gestation period is anticipated while brand awareness is being propagated. The commissioning of the new passenger terminal at Velana International Airport in mid-2025, with capacity

[1] UN Tourism, "International tourism up 5% in first half of 2025 despite global challenges", 9 September 2025
[2] The Business Times, "With Mice takings above pre-Covid levels, STB banks on sustainability, bleisure for 2040 goal", 29 September 2025
[3] The F1 event was held on 3 to 5 October in 2025 and 20 to 22 September in 2024. The RevPAR computation was over a four-night period from Thursday to Sunday (inclusive) of the race week.
[4] Hotels Licensing Board and CDLHT research (Oct 2025)
[5] Scoop Independent News, "Next Level Boost For Major Events And Tourism", 14 September 2025
[6] Immigration New Zealand, "Easier travel from Australia to New Zealand for Chinese visitors", 23 September 2025
[7] Tourism WA, "Western Australia Visitor Economy Strategy 2033", 11 November 2024
[8] JTB, "2025 (January – December) Travel Trend Outlook", 9 January 2025

scaled to approximately 7 million passengers annually, is expected to significantly improve Maldives' gateway capacity. Over time, this enhanced infrastructure should serve as a foundation for longer-term tourism growth[9].

While UK tourism continues to benefit from resilient underlying demand, it is expected to be tempered by regulatory headwinds, elevated operating costs, and subdued business travel activity. Nonetheless, demand will be supported by a robust events calendar — including the BRIT Awards in Manchester (February 2026 and 2027) — as well as steady event activity in Cambridge and Exeter, broadly comparable to last year. Hotel Indigo Exeter, acquired in November 2024, will contribute its first full-year NPI in 2025.

In Europe, demand dynamics remain uneven, with travellers demonstrating greater price sensitivity and inbound demand from key markets such as the United States moderating amid persistent economic uncertainty and geopolitical headwinds[10]. The Germany Hotel should remain resilient supported by aircrew demand, though corporate travel has been muted given structural challenges faced by the automotive sector. Further, event-driven demand may be constrained in the medium term as the Munich Olympic Stadium is closed for renovation until spring 2027, limiting large-scale event activity despite partial substitution at the Allianz Arena[11]. In Florence, market conditions are expected to stay subdued, as easing demand and additional hotel supply contribute to a more competitive trading environment, as RevPAR continues to moderate following the post-pandemic surge.

The two living sector assets, The Castings (UK BTR) and Benson Yard (UK PBSA) are poised to deliver their first full year NPI contributions in 2025. The Castings, which commenced operations in July 2024, continues to progress through its ramp-up phase in 2025, achieving a healthy physical occupancy of 90.1% as at 30 September 2025. Leasing activity remained strong through the summer leasing period, though demand has started to ease with the onset of autumn, ahead of the typically quieter winter months (December to February).As the property moves beyond its initial gestation phase, The Castings is expected to deliver a more stabilised level of NPI from 2026 onwards.

Benson Yard has secured a committed occupancy of 97.0% for the Academic Year 2025/26 which commenced in September 2025, underscoring the asset's prime location and continued appeal among students. Liverpool remains an attractive student market, anchored by the University of Liverpool, Benson Yard's primary source of tenants. The university entered the top 150 in both the 2026 QS World University Rankings 2026[12] and the Times Higher Education World University Ranking[13], which is expected to support sustained interest from both domestic and international students. On a broader level, the UK's student accommodation sector may benefit from interest in UK universities amid tightening visa policies and political uncertainty in other key study destinations[14].

The Managers will continue to monitor market developments closely to identify opportunities to recalibrate the debt profile and secure lower financing costs, while remaining disciplined in managing operating expenses, as well as currency risks through hedging strategies. The Managers also remain focused on executing targeted asset enhancement initiatives to drive resilient, long-term stakeholder value. Looking ahead, 2026 will see the completion of renovations and stabilisation of operations across several assets, positioning the portfolio on a stronger operational footing to drive better performance.

[9] Condé Nast Traveller India, The Maldives just opened a sleek new airport terminal — here's what you need to know", 5 August 2025
[10] Schengen news, "Tourists Plan Fewer Trips to Europe Due to Rising Costs & Geopolitical Instability" 11 June 2025
[11] Olympiapark Muchen, "2025-2027 also open-air concerts at the Allianz Arena" 07 November 2023
[12] University of Liverpool, "University breaks into top 150 in QS World Rankings 2026", 19 June 2025
[13] University of Liverpool, "University breaks into global top 150 in Times Higher Education World University Rankings", 9 October 2025
[14] The Financial Times, "American students turn to UK as Donald Trump takes aim at US universities", 28 April 2025

3. CDLHT Key Financial Statistics

	As at 30 September 2025	As at 31 December 2024
Debt Value (S$ million)	1,405	1,342
Gearing[1]	42.4%	40.7%
Debt Headroom (S$ million) at 50% Gearing	500	610
Interest Coverage Ratio[2]	2.1x	2.3x
Weighted Average Cost of Debt	3.4%	4.0%

As at 30 September 2025, CDLHT has a healthy balance sheet, with a gearing of 42.4% and cash reserves of S$77.0 million. There are also S$108.1 million revolving credit facilities available for drawdown and S$290.0 million uncommitted bridge loan facilities reserved for acquisitions.

As of announcement date, CDLHT successfully refinanced its secured TMK bond of ¥3,100 million, along with term loans of ¥3,270 million and S$36.7 million, extending their maturities by another five years. The two term loans were refinanced as sustainability-linked facilities, increasing the total sustainability-linked facilities to S$937.7 million. These initiatives reflect the Group's proactive capital management and continued commitment to sustainable financing.

Refinancing of the remaining loans maturing in 4Q 2025 has commenced and is on track for completion by year-end. Capitalising on the decline in SGD borrowing rates in 2025, CDLHT has to-date entered into ten interest rate swaps totaling S$358.0 million to progressively hedge its SGD floating-rate debt.

CDLHT's short-term uncommitted bridge loan facilities, totaling S$326.7 million as of 30 October 2025, provide interim funding capacity while longer-term financing options are being evaluated. These facilities also offer the flexibility to capitalise on acquisition opportunities or close transactions swiftly when required, positioning CDLHT with a competitive advantage in executing growth initiatives.

[1] For the purposes of gearing computation, the total assets exclude the SFRS(I) 16/ FRS 116 *Leases* (adopted wef 1 January 2019).
[2] For H-REIT group. Computed by using trailing 12 months earnings before interest, tax, depreciation and amortization ("**EBITDA**") (excluding effects of any fair value changes of derivatives and investment properties and foreign exchange translation), divided by the trailing 12 months interest expense and borrowing-related fees.

4. Other Matters

Grand Millennium Auckland

The lease with the existing lessee is currently on holdover on the same terms following the expiry of the third and final three-year lease term on 6 September 2025, while the new lease documentation is being finalised. The Managers will update the market when the new lease is signed.

Raffles Maldives Meradhoo

The property will be rebranded as *The Halcyon Private Isles Maldives, Autograph Collection* with effect from 1 November 2025. Apara Hotel Management Maldives Pvt Ltd has been appointed as the hotel manager pursuant to a hotel management agreement with a term of five years and two months, expiring on 31 December 2030. The hotel management agreement will take effect on 1 November 2025.

About CDL Hospitality Trusts

CDL Hospitality Trusts ("**CDLHT**") is one of Asia's leading hospitality trusts with assets under management of about S$3.5 billion as at 30 September 2025. CDLHT is a stapled group comprising CDL Hospitality Real Estate Investment Trust ("**H-REIT**"), a real estate investment trust, and CDL Hospitality Business Trust ("**HBT**"), a business trust. CDLHT was listed on the Singapore Exchange Securities Trading Limited on 19 July 2006. M&C REIT Management Limited is the manager of H-REIT, the first hotel real estate investment trust in Singapore, and M&C Business Trust Management Limited is the trustee-manager of HBT.

CDLHT's principal investment strategy is to invest in a diversified portfolio of real estate which is or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes globally. CDLHT's portfolio comprises 22 properties (which include 4,924 hotel rooms, 352 Build-to-Rent apartments, 404 Purpose-Built Student Accommodation beds and a retail mall). The properties under the portfolio include:

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

By Order of the Board

Vincent Yeo Wee Eng
Chief Executive Officer
M&C REIT Management Limited
(Company Registration No. 200607091Z)
(as Manager of CDL Hospitality Real Estate Investment Trust)

30 October 2025

By Order of the Board

Vincent Yeo Wee Eng
Chief Executive Officer
M&C Business Trust Management Limited
(Company Registration No. 200607118H)
(as Trustee-Manager of CDL Hospitality Business Trust)

30 October 2025

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. Representatives 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.

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