

Offer Information Statement dated 5 July 2017
(Lodged with the Monetary Authority of Singapore on 5 July 2017)

THIS OFFER INFORMATION STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.

The collective investment scheme offered in this Offer Information Statement is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") and the business trust offered in this Offer Information Statement is a registered business trust under the Business Trusts Act, Chapter 31A of Singapore (the "BTA"). A copy of this Offer Information Statement, together with the application form for the new stapled securities in CDL Hospitality Trusts ("CDLHT") to be issued for the purpose of the Rights Issue (as defined herein) ("**Rights Stapled Securities**") and Excess Rights Stapled Securities (as defined herein) ("**ARE**") and the application form and acceptance form for Rights Stapled Securities to be issued to purchasers of the Rights Entitlements (as defined herein) ("**ARS**") under the Rights Issue traded on Singapore Exchange Securities Trading Limited (the "**SGX-ST**") under the book-entry (scripless) settlement system, has been lodged with the Monetary Authority of Singapore (the "**Authority**"). The Authority assumes no responsibility for the contents of this Offer Information Statement, the ARE and the ARS. Lodgement of this Offer Information Statement with the Authority does not imply that the SFA, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Stapled Securities being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from the SGX-ST for the listing and quotation of the Rights Stapled Securities on the Mainboard of the SGX-ST, subject to certain conditions. The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Rights Issue, the Rights Stapled Securities, CDLHT and/or its subsidiaries. The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained or opinions expressed in this Offer Information Statement. No stapled securities in CDLHT ("**Stapled Securities**") shall be allotted or allocated on the basis of this Offer Information Statement later than the date falling six months from the date of lodgement of this Offer Information Statement.

This Offer Information Statement may not be sent to any person or any jurisdiction in which it would not be permissible to deliver the Rights Stapled Securities and the "nil-paid" provisional allotment of Rights Stapled Securities to Eligible Stapled Securityholders (as defined herein) under the Rights Issue (the "**Rights Entitlements**") or make an offer of the Rights Stapled Securities and the Rights Entitlements and the Rights Stapled Securities and Rights Entitlements may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. This Offer Information Statement is not for release, publication or distribution, directly or indirectly, in or into the United States ("**U.S.**"). The Rights Stapled Securities and Rights Entitlements have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under any securities laws of any state or other jurisdiction of the U.S. and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered, directly or indirectly, within the U.S. except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the U.S.. The Rights Stapled Securities and Rights Entitlements are being offered and sold only in offshore transactions in reliance on Regulation S under the Securities Act ("**Regulation S**").



CDL HOSPITALITY TRUSTS

A stapled group comprising:

CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted on 8 June 2006 under the laws of the Republic of Singapore) managed by
M&C REIT Management Limited
(a company incorporated on 17 May 2006 under the laws of the Republic of Singapore)
(Company Registration Number: 200607091Z)

CDL HOSPITALITY BUSINESS TRUST

(a business trust constituted on 12 June 2006 under the laws of the Republic of Singapore) managed by
M&C Business Trust Management Limited
(a company incorporated on 17 May 2006 under the laws of the Republic of Singapore)
(Company Registration Number: 200607118H)

RENOUNCEABLE RIGHTS ISSUE (THE "RIGHTS ISSUE") OF 199,545,741 RIGHTS STAPLED SECURITIES AT AN ISSUE PRICE OF S\$1.280 FOR EACH RIGHTS STAPLED SECURITY (THE "ISSUE PRICE"), ON THE BASIS OF 20 RIGHTS STAPLED SECURITIES FOR EVERY 100 EXISTING STAPLED SECURITIES (THE "RIGHTS RATIO") HELD BY ELIGIBLE STAPLED SECURITYHOLDERS AS AT 5 JULY 2017 AT 5.00 P.M. (THE "RIGHTS ISSUE BOOKS CLOSURE DATE"), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

Lead Manager and Underwriter for the Rights Issue



IMPORTANT DATES AND TIMES	
(The following is qualified by, and should be read in conjunction with, the section entitled "Timetable of Key Events")	
Last date and time for trading of Rights Entitlements	: 18 July 2017 at 5.00 p.m.
Last date and time for acceptance of Rights Entitlements and payment for Rights Stapled Securities	: 24 July 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks (each as defined herein))
Last date and time for application and payment for Excess Rights Stapled Securities	: 24 July 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)

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NOTICE TO STAPLED SECURITYHOLDERS AND INVESTORS

No person has been authorised to give any information or make any representations other than those contained in this Offer Information Statement in connection with the Rights Issue and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of CDLHT, CDL Hospitality Real Estate Investment Trust (“**H-REIT**”), CDL Hospitality Business Trust (“**HBT**”), M&C REIT Management Limited, as manager of H-REIT (the “**H-REIT Manager**”) and M&C Business Trust Management Limited, as trustee-manager of HBT (the “**HBT Trustee-Manager**”, and together with the H-REIT Manager, the “**Managers**”), DBS Trustee Limited, as trustee of H-REIT (the “**H-REIT Trustee**”) or DBS Bank Ltd. as the lead manager and underwriter for the Rights Issue (the “**Lead Manager and Underwriter**”). Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of CDLHT or the Managers. Neither the delivery of this Offer Information Statement nor the issue of the Rights Stapled Securities shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no material change in the affairs of CDLHT or in any of the information contained herein since the date of this Offer Information Statement. Where such changes occur after the date of this Offer Information Statement and are material and required to be disclosed by law and/or the SGX-ST, the Managers will announce such changes via SGXNET¹, and if required, lodge a supplementary or replacement document with the Authority. All holders of Stapled Securities (“**Stapled Securityholders**”) and investors should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

For Eligible Stapled Securityholders, acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Stapled Securities may be made through The Central Depository (Pte) Limited (“**CDP**”) or through an automated teller machine (“**ATM**”) of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement (“**Electronic Application**”).

Supplementary Retirement Scheme (“SRS”) investors and investors who hold Stapled Securities through a finance company and/or Depository Agent (as defined herein) should see the section entitled “Important Notice to (A) SRS Investors and (B) Investors who Hold Stapled Securities Through a Finance Company and/or Depository Agent” of this Offer Information Statement for important details relating to the offer procedure for them.

This Offer Information Statement, the ARE and the ARS may not be used for the purpose of, and does not constitute, an offer, invitation or solicitation in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is unlawful or unauthorised, or to any person to whom it is unlawful to make such offer, invitation or solicitation. In addition, no action has been or will be taken in any jurisdiction (other than Singapore) that would permit a public offering of the Rights Stapled Securities or the possession, circulation or distribution of this Offer Information Statement or any other material relating to CDLHT or the Rights Stapled Securities in any jurisdiction (other than Singapore) where action for that purpose is required. The Rights Stapled Securities may not be offered or sold, directly or indirectly, and neither this Offer Information Statement nor any other offering material or advertisements in connection with the Rights Stapled Securities may be distributed or published in or from any country or jurisdiction, except, in each case, under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice regarding an investment in the Rights Stapled Securities, Rights Entitlements and/or Stapled Securities.

¹ An internet-based corporate announcement submission system maintained by the SGX-ST.

The Managers, the H-REIT Trustee, the Lead Manager and Underwriter and each of their respective officers and employees make no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Rights Stapled Securities, the Rights Entitlements or CDLHT, or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to subscribe for the Rights Stapled Securities or to purchase the Rights Entitlements. Prospective subscribers of Rights Stapled Securities and purchasers of Rights Entitlements should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of the affairs of CDLHT, including but not limited to, the assets and liabilities, profits and losses, financial position, financial performance, risk factors and prospects of CDLHT, and their own appraisal and determination of the merits of investing in CDLHT. Persons in doubt as to the action they should take should consult their business, financial, legal, tax or other professional adviser before deciding whether to subscribe for or purchase the Rights Stapled Securities or the Rights Entitlements.

This Offer Information Statement and the accompanying documents have been prepared solely for the purposes of the Rights Issue and may not be relied upon for any other purposes.

The Rights Stapled Securities and the Rights Entitlements have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the U.S. and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered, directly or indirectly, within the U.S. except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the U.S.. The Rights Stapled Securities and the Rights Entitlements are being offered and sold only in offshore transactions (as defined under Regulation S) in reliance on Regulation S. Please refer to the section entitled “Offering, Selling and Transfer Restrictions” of this Offer Information Statement.

In addition, until 40 days after the commencement of the Rights Issue, or the procurement of purchasers by the Lead Manager and Underwriter of the Rights Stapled Securities not initially taken up, any offer, sale or transfer of the Rights Entitlements or the Rights Stapled Securities in or into the U.S. by a dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the Securities Act.

The distribution of this Offer Information Statement and the placement of the Rights Stapled Securities in certain jurisdictions may be prohibited or restricted by law. Persons who come into possession of this Offer Information Statement and/or its accompanying documents are required by the Managers and the Lead Manager and Underwriter to inform themselves of, and observe, any such prohibitions and restrictions.

Selected financial data from the audited financial statements of CDLHT for the financial year ended 31 December 2014 (“**FY2014**”) (“**2014 Audited Financial Statements**”), the audited financial statements of CDLHT for the financial year ended 31 December 2015 (“**FY2015**”) (“**2015 Audited Financial Statements**”) and the audited financial statements of CDLHT for the financial year ended 31 December 2016 (“**FY2016**”) (“**2016 Audited Financial Statements**”), and the unaudited financial statements of CDLHT for the first quarter ended 31 March 2017 (“**1Q2017**”) (the “**1Q2017 Unaudited Financial Statements**”) (collectively, the “**Financial Statements**”) is set out in **Appendix A** of this Offer Information Statement. Financial data relating to distribution per Stapled Security (“**DPS**”), earnings per Stapled Security (“**EPS**”) and net asset value (“**NAV**”) per Stapled Security before and after any adjustment issue of Rights Stapled Securities is also set out in **Appendix A** of this Offer Information Statement.

Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are available on the website of CDLHT at <http://www.cdlht.com> and are also available for inspection during normal business hours at the registered office of the Managers at 36 Robinson Road, #04-01 City House, Singapore 068877 from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement¹.

Save for the Financial Statements which are deemed to be incorporated into this Offer Information Statement by reference, the information contained on the website of CDLHT does not constitute part of this Offer Information Statement.

Prospective investors are advised to obtain and read the Financial Statements (including the relevant notes, where applicable) before making any investment decision in relation to the Rights Stapled Securities and the Rights Entitlements.

The value of Stapled Securities and the income derived from them may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers or any of their affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. None of the Managers or any of their affiliates guarantee the performance of CDLHT, the repayment of capital from CDLHT, or any particular rate of return on the Stapled Securities.

Stapled Securityholders have no right to request the Managers to redeem their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on the SGX-ST. Listing of Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities. The past performance of CDLHT is not necessarily indicative of the future performance of CDLHT.

Forward-Looking Statements

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by CDLHT or the directors of the Managers, its officers or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as, without limitation, “anticipate”, “aim”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “predict”, “probable”, “project”, “seek”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the future financial position, operating results, business strategies, plans and future prospects of H-REIT and its subsidiaries and HBT and its subsidiaries (collectively, the “**Stapled Group**”) are forward-looking statements. CDLHT, the Managers, the H-REIT Trustee and the Lead Manager and Underwriter do not represent or warrant that the actual future performance, outcomes or results of CDLHT will be as discussed in those statements. These forward-looking statements, including but not limited to statements as to the Stapled Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are merely predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Stapled Group’s actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. Representative examples of such other factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in property expenses and operating expenses, and governmental

¹ Prior appointment with the Managers will be appreciated.

and public policy changes. (See the section entitled “Risk Factors” for a discussion of certain factors to be considered in connection with an investment in the Rights Stapled Securities and the Rights Entitlements.)

Given the risks, uncertainties and other factors that may cause CDLHT’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, you are cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers’ current view of future events. Investors should read the whole of this Offer Information Statement and make their own assessment of the future performance of CDLHT before deciding whether to subscribe for the Rights Stapled Securities and/or apply for Excess Rights Stapled Securities. Investors should also make their own independent investigations of any bases and assumptions upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in light of their personal circumstances. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to an appropriate number of decimal places, where applicable.

This Offer Information Statement includes market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information.

The pro forma financial information contained in this Offer Information Statement (including the pro forma DPS yield) is based on historical statements reconstituted on a pro forma basis based on numerous assumptions and adjustments (as set out in the section entitled “Pro Forma Financial Information”) and is not necessarily indicative of the total returns and cash flows or financial position of CDLHT that would have been attained had the completion of the Transactions (as defined herein) actually occurred in the relevant periods. Such pro forma financial information, because of its nature, may not give a true or accurate picture of CDLHT’s actual total returns or financial position and the Managers, the H-REIT Trustee and the Lead Manager and Underwriter do not represent or warrant that the actual outcome of the Transactions at the relevant dates or periods would have been as presented.

Under no circumstances should the inclusion of such information be regarded as a representation, warranty or prediction that these results would have been achieved, will be achieved or are likely to be achieved. In particular, investors should note that the pro forma DPS yield, which are prepared for illustrative purposes only, are calculated based on certain assumptions and assumed price per Stapled Security (as set out in the section entitled “Pro Forma Financial Information”) and even if investors had purchased the Stapled Securities at the relevant assumed price per Stapled Security, there is no guarantee that the actual or future yields would be as indicated.

**IMPORTANT NOTICE TO (A) SRS INVESTORS AND
(B) INVESTORS WHO HOLD STAPLED SECURITIES
THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT**

Stapled Securityholders who have subscribed for or purchased Stapled Securities under the SRS or through a finance company and/or Depository Agent can only accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities by instructing the relevant banks, finance company and/or Depository Agent in which they hold their SRS Accounts (as defined herein) to do so on their behalf.

ANY APPLICATION MADE DIRECTLY BY THE ABOVE-MENTIONED STAPLED SECURITYHOLDERS THROUGH CDP OR THROUGH ATMS WILL BE REJECTED.

The above-mentioned Stapled Securityholders, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Stapled Securities to their respective approved bank, finance company and/or Depository Agent.

(i) Use of SRS Funds

Eligible Stapled Securityholders who had purchased Stapled Securities using their SRS Accounts and who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts.

Such Eligible Stapled Securityholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities on their behalf in accordance with this Offer Information Statement. Such Eligible Stapled Securityholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date (as defined herein). Any acceptance and (if applicable) application made directly through CDP, Electronic Applications at ATMs of the Participating Banks, M & C Services Private Limited (the “**Stapled Security Registrar**”) and/or CDLHT will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the provisional allotments of the Rights Stapled Securities directly from the market.

(ii) Holdings through Finance Company and/or Depository Agent

Eligible Stapled Securityholders who hold Stapled Securities through a finance company and/or Depository Agent and who wish to participate in the Rights Issue must instruct the relevant finance company and/or Depository Agent to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities on their behalf in accordance with this Offer Information Statement.

ELIGIBILITY OF STAPLED SECURITYHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

ELIGIBLE STAPLED SECURITYHOLDERS

Eligible Stapled Securityholders are Stapled Securityholders with Stapled Securities standing to the credit of their securities account with CDP (but do not include securities sub-accounts) (“**Securities Account**”) and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days¹ prior to the Rights Issue Books Closure Date, provided CDP with Singapore addresses for the service of notices and documents, but exclude, subject to certain exceptions, Stapled Securityholders located, resident or with a registered address in any jurisdiction in which the offering of Rights Stapled Securities and Rights Entitlements may not be lawfully made (“**Eligible Stapled Securityholders**”).

Eligible Stapled Securityholders will receive their Rights Entitlements under the Rights Issue on the basis of their holdings of Stapled Securities (“**Stapled Securityholdings**”) as at the Rights Issue Books Closure Date and are entitled to participate in the Rights Issue and to receive this Offer Information Statement (including the ARE) at their respective Singapore addresses. Eligible Stapled Securityholders who do not receive this Offer Information Statement and the ARE may obtain them from CDP for the period from the date the Rights Issue commences up to the Closing Date.

Eligible Stapled Securityholders are at liberty to accept in part or in full, decline or otherwise renounce or trade (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for Excess Rights Stapled Securities.

The Rights Stapled Securities represented by the provisional allotments (A) of (i) Eligible Stapled Securityholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Stapled Securityholders (as defined herein) which have not been sold during the Rights Entitlements trading period or (B) that have not been validly taken up by the original allottees, renounees of the Rights Entitlements or the purchasers of Rights Entitlements (collectively, “**Excess Rights Stapled Securities**”) will be aggregated and used to satisfy Excess Rights Stapled Securities applications (if any) or disposed of or otherwise dealt with in such manner as the Managers may, in their absolute discretion, deem fit.

Subject to the requirements of or otherwise waived by the SGX-ST, in the allotment of Excess Rights Stapled Securities, preference will be given to the rounding of odd lots (if any) followed by allotment to the Stapled Securityholders who are neither directors of the Managers (“**Directors**”) nor Substantial Stapled Securityholders (as defined herein). Directors and Substantial Stapled Securityholders who have control or influence over CDLHT or the Managers in connection with the day-to-day affairs of CDLHT or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Stapled Securities.

All dealings in and transactions of the Rights Entitlements through the SGX-ST will be effected under the book-entry (scripless) settlement system.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the Rights Entitlements and for the applications for Excess Rights Stapled Securities, including the different modes of acceptance and application and payment, are contained in Appendices B and C of this Offer Information Statement and in the ARE and the ARS.

¹ “**Market Day**” refers to any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading.

INELIGIBLE STAPLED SECURITYHOLDERS

No Rights Entitlements will be provisionally allotted to Stapled Securityholders who are not Eligible Stapled Securityholders (“**Ineligible Stapled Securityholders**”) and no purported acceptance thereof or application for Excess Rights Stapled Securities therefor by Ineligible Stapled Securityholders will be valid.

This Offer Information Statement and its accompanying documents will not be despatched to Ineligible Stapled Securityholders. This Offer Information Statement and its accompanying documents relating to the Rights Issue have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. Receipt of this Offer Information Statement and its accompanying documents or the crediting of Rights Entitlements to a securities account in CDP does not and will not constitute an offer in those jurisdictions in which it would be illegal and the Offer Information Statement and its accompanying documents should not be copied or redistributed. If the ARE or the ARS or a credit of Rights Entitlements is received by any person in such a jurisdiction, or by his/her agent or nominee, he/she/it should not seek to take up the Rights Entitlements.

The offer, sale and delivery of the Rights Stapled Securities and the Rights Entitlements may be prohibited or restricted in certain jurisdictions under their relevant securities laws. Thus, for practical reasons and in order to avoid any violation of the securities legislation or other relevant laws applicable in countries (other than in Singapore) where Stapled Securityholders may have as their addresses registered with CDP, the Rights Issue will not be extended to Ineligible Stapled Securityholders.

The Rights Stapled Securities and the Rights Entitlements have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the U.S. and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered, directly or indirectly, within the U.S. except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the U.S.. The Rights Stapled Securities and the Rights Entitlements will be offered and sold only in offshore transactions in reliance on Regulation S. For the avoidance of doubt, Ineligible Stapled Securityholders include beneficial Stapled Securityholders located in the U.S..

This Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the Rights Entitlements, whose registered addresses with CDP are outside Singapore (“**Foreign Purchasers**”). Foreign Purchasers are advised that their participation in the Rights Issue may be restricted or prohibited by the laws of the jurisdiction in which they are located or resident. Foreign Purchasers who wish to accept the Rights Entitlements credited to their Securities Accounts should ensure that they comply with the applicable rules, regulations and, subject to compliance with applicable laws and regulations make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

The Managers reserve the right, but shall not be obliged, to treat as invalid any application or purported application, or decline to register such application or purported application which (i) appears to the Managers or their agents to have been executed in any jurisdiction outside Singapore or which the Managers believe may violate any applicable legislation of such jurisdiction, or (ii) purports to exclude any deemed representation or warranty.

Notwithstanding the above, Stapled Securityholders and any other person having possession of this Offer Information Statement are advised to inform themselves of and to observe all legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement may treat the same as an offer, invitation or solicitation to subscribe for any Rights Stapled Securities unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

If it is practicable to do so, the Managers may, in their absolute discretion, arrange for Rights Entitlements which would otherwise have been allotted to Ineligible Stapled Securityholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Managers, in their absolute discretion, determine that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto.

Where such Rights Entitlements are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Managers, may, in their absolute discretion, decide and no Ineligible Stapled Securityholder or persons acting for the account or benefit of any such persons, shall have any claim whatsoever against the Managers, the H-REIT Trustee, the Lead Manager and Underwriter or CDP or their respective officers in respect of such sales or the proceeds thereof, the Rights Entitlements or the Rights Stapled Securities represented by such provisional allotments.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Ineligible Stapled Securityholders in proportion to their respective Stapled Securityholdings as at the Rights Issue Books Closure Date and sent to them at their own risk by ordinary post, without interest or any share of revenue or other benefit arising therefrom, provided that where the amount of net proceeds to be distributed to any single Ineligible Stapled Securityholder is less than S\$10.00, the Managers shall be entitled to retain or deal with such net proceeds as the Managers may, in their absolute discretion, deem fit for the sole benefit of CDLHT and no Ineligible Stapled Securityholder shall have any claim whatsoever against the Managers, the Lead Manager and Underwriter, the H-REIT Trustee or CDP in connection herewith.

If such Rights Entitlements cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the Rights Entitlements, the Rights Stapled Securities represented by such Rights Entitlements will be issued to satisfy applications for Excess Rights Stapled Securities or dealt with in such manner as the Managers may, in their absolute discretion, deem fit in the interest of CDLHT and no Ineligible Stapled Securityholder or persons acting for the account or benefit of any such persons, shall have any claim whatsoever against the Managers, the H-REIT Trustee, the Lead Manager and Underwriter or CDP and their respective officers in connection therewith.

Stapled Securityholders should note that the special arrangement described above will apply only to Ineligible Stapled Securityholders.

OFFERING, SELLING AND TRANSFER RESTRICTIONS

No action has been taken or will be taken to permit a public offering of the Rights Stapled Securities or the Rights Entitlements to occur in any jurisdiction, or the possession, circulation, or distribution of this Offer Information Statement, its accompanying documents or any other material relating to CDLHT, the Rights Stapled Securities or the Rights Entitlements in any jurisdiction where action for such purpose is required, except that this Offer Information Statement has been lodged with the Authority. Accordingly, the Rights Stapled Securities or the Rights Entitlements may not be offered or sold, directly or indirectly, and none of this Offer Information Statement, its accompanying documents or any offering materials or advertisements in connection with the Rights Stapled Securities or the Rights Entitlements may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Stapled Securities, applying for Excess Rights Stapled Securities or making any offer, sale, resale, pledge or other transfer of the Rights Stapled Securities or the Rights Entitlements.

This Offer Information Statement and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

For the Rights Issue, the Managers on behalf of CDLHT are relying upon the exemption from registration provided by Regulation S under the Securities Act. The Rights Entitlements and the Rights Stapled Securities have not been, and will not be, registered under the Securities Act or under the securities laws of any state of the U.S. and may be offered, sold, resold, granted, delivered, allotted, taken up, exercised, pledged, transferred or renounced only outside the U.S. in accordance with Regulation S under the Securities Act. Stapled Securityholders acting on a non-discretionary basis for the account or benefit of a person located in the U.S. may not take up or purchase the Rights Entitlements or the Rights Stapled Securities. Distribution of the Offer Information Statement in the U.S. is not authorised, and any person in the U.S. who obtains a copy of this Offer Information Statement is requested to disregard the contents of this Offer Information Statement.

Each purchaser of the Rights Entitlements and/or the Rights Stapled Securities will be deemed to have represented and agreed as follows (terms defined in Regulation S have the same meanings when used herein):

- (a) the purchaser (i) is, and the person, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Stapled Securities is, outside the U.S.; and (ii) is acquiring the Rights Entitlements and/or the Rights Stapled Securities in an offshore transaction meeting the requirements of Regulation S;
- (b) the purchaser is aware that the Rights Entitlements and/or the Rights Stapled Securities have not been and will not be registered under the Securities Act and are being distributed and offered outside the U.S. in reliance on Regulation S; and
- (c) the purchaser acknowledges that the Managers, the Lead Manager and Underwriter of the Rights Issue, their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

The Managers and the Lead Manager and Underwriter have not taken any action, nor will the Managers and the Lead Manager and Underwriter take any action, in any jurisdiction other than Singapore that would permit a public offering of the Rights Entitlements and Rights Stapled Securities, or the possession, circulation or distribution of this Offer Information Statement or any other material relating to CDLHT, the Managers, the Rights Entitlements or the Rights Stapled Securities in any jurisdiction other than Singapore where action for that purpose is required.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Stapled Securityholders or any other persons having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and to observe such prohibitions and restrictions. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Stapled Securities unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

CERTAIN DEFINED TERMS AND CONVENTIONS

CDLHT publishes its financial statements in Singapore dollars. In this Offer Information Statement:

- references to “SGD”, “S\$”, “\$”, “Singapore dollars” or “cents” are to the lawful currency of the Republic of Singapore;
- references to “AUD”, “A\$”, “Australian dollars” or “Australian cents” are to the lawful currency of Australia;
- references to “NZD” or “NZ\$” are to the lawful currency of New Zealand;
- references to “JPY”, “¥” or “Yen” are to the lawful currency of Japan;
- references to “GBP”, “£” or “Pound Sterling” are to the lawful currency of Great Britain;
- references to “Euro” or “€” are to the lawful currency of the European Union; and
- references to “USD” or “US\$” are to the lawful currency of the U.S..

This Offer Information Statement contains conversions of Euro and Pound Sterling amounts into Singapore dollars. Unless otherwise indicated, Euro and Pound Sterling amounts in this Offer Information Statement have been translated into Singapore dollar, based on the exchange rates of €1.00 = S\$1.5546 and £1.00 = S\$1.7915 respectively. None of the foreign currency conversion rates used to present or derive information in this Offer Information Statement should be construed as representations that Euro and Pound Sterling amounts have been, would have been or could be converted into Singapore dollar at those rates or any other rate, at any particular rate or at all.

Certain monetary amounts set out in this Offer Information Statement have been subject to rounding adjustments. Accordingly, figures shown as totals in tables may not be an arithmetic aggregation of the figures that precede them. All references to dates and times are to Singapore dates and times.

Capitalised terms used in this Offer Information Statement shall have the meanings set out in the Glossary on pages 61 to 69 of this Offer Information Statement.

CORPORATE INFORMATION

Directors of the Managers	:	Mr Wong Hong Ren (Chairman and Non-Executive Director) Mr Vincent Yeo Wee Eng (Chief Executive Officer and Executive Director) Dr Foo Say Mui (Bill) (Lead Independent Director) Mr Ronald Seah Lim Siang (Independent Non-Executive Director) Mr Kenny Kim (Independent Non-Executive Director)
Registered Office of the Managers	:	36 Robinson Road #04-01 City House Singapore 068877 Telephone number: +65 6877 8228 Facsimile number: +65 6225 4959
Principal Place of Business of the Managers	:	390 Havelock Road #02-05 King's Centre Singapore 169662 Telephone number: +65 6664 8888 Facsimile number: +65 6732 2868
Trustee of H-REIT	:	DBS Trustee Limited 12 Marina Boulevard Level 44 DBS Asia Central@ Marina Bay Financial Centre Tower 3 Singapore 018982
Lead Manager and Underwriter to the Rights Issue	:	DBS Bank Ltd. 12 Marina Boulevard Level 46 Marina Bay Financial Centre Tower 3 Singapore 018982
Legal Adviser for the Rights Issue and to the Managers	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Legal Adviser to the Lead Manager and Underwriter as to Singapore Law	:	Allen & Overy LLP 50 Collyer Quay #09-01 OUE Bayfront Singapore 049321
Stapled Security Registrar and Stapled Security Transfer Office	:	M & C Services Private Limited 112 Robinson Road #05-01 Singapore 068902

Receiving Bank for the Rights Issue : DBS Bank Ltd.
12 Marina Boulevard Level 46
Marina Bay Financial Centre Tower 3
Singapore 018982

Independent Valuers : Knight Frank LLP
55 Baker Street
London
W1U 8AN
United Kingdom

CBRE GmbH
Isartorplatz 1
80331 Munich
Germany

SUMMARY

The following summary is qualified in its entirety by, and is subject to, the more detailed information contained or referred to elsewhere in this Offer Information Statement. Meanings of defined terms may be found in the Glossary section in this Offer Information Statement.

1. Overview of CDLHT, H-REIT AND HBT

CDLHT

CDLHT is a stapled group comprising H-REIT and HBT which is listed on the Mainboard of the SGX-ST. The units in H-REIT (the “**H-REIT Units**”) and the units in HBT (the “**HBT Units**”) are stapled together under the terms of a stapling deed dated 12 June 2006 entered into by the H-REIT Manager, the H-REIT Trustee and the HBT Trustee-Manager (the “**Stapling Deed**”), and cannot be traded separately.

H-REIT and HBT

H-REIT is a Singapore-based REIT established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate which is primarily used for hospitality and/or hospitality-related purposes, whether wholly or partially, and real estate-related assets in relation to the foregoing. Real estate which is used for “hospitality” purposes includes hotels, motels and other lodging facilities, serviced residences and resorts, whether in existence by themselves as a whole or as part of larger mixed-use developments (where such mixed-use developments may also include entertainment, leisure and/or gaming-related facilities).

The H-REIT Manager is an indirect wholly-owned subsidiary of Millennium & Copthorne Hotels plc (the “**Sponsor**”).

HBT was dormant since the listing of CDLHT on the Main Board of the SGX-ST on 19 July 2006, until it was activated on 31 December 2013 by the HBT Trustee-Manager to be the master lessee of a Maldives property, which was acquired by a wholly-owned subsidiary of H-REIT and which was leased to a wholly-owned subsidiary of HBT. Since then, HBT has proceeded to act as the master lessee of Hotel MyStays Asakusabashi and Hotel MyStays Kamata (both located in Tokyo) and on 1 October 2015, acquired Hilton Cambridge City Centre (formerly Cambridge City Hotel), which is managed by Hilton Hotels and Resorts. On 4 May 2017, HBT acquired The Lowry Hotel, which continues to be operated by its holding company The Lowry Hotel Limited (a wholly-owned subsidiary of the HBT Trustee-Manager).

The HBT Trustee-Manager is an indirect wholly-owned subsidiary of the Sponsor.

Existing Portfolio

As at 30 June 2017, being the latest practicable date prior to the lodgement of the Offer Information Statement (the “**Latest Practicable Date**”), CDLHT’s asset portfolio comprises the following 19 properties:

- Orchard Hotel, Singapore;
- Grand Copthorne Waterfront Hotel, Singapore;
- M Hotel, Singapore;

- Copthorne King’s Hotel, Singapore;
- Studio M Hotel, Singapore;
- Novotel Singapore Clarke Quay, Singapore;
- Claymore Connect, Singapore;
- Novotel Brisbane, Australia;
- Mercure Brisbane, Australia;
- Ibis Brisbane, Australia;
- Mercure Perth, Australia;
- Ibis Perth, Australia;
- Grand Millennium Auckland (formerly known as Rendezvous Hotel Auckland), New Zealand;
- Angsana Velavaru, Maldives;
- Jumeirah Dhevanafushi, Maldives;
- Hotel MyStays Asakusabashi, Tokyo, Japan;
- Hotel MyStays Kamata, Tokyo, Japan;
- Hilton Cambridge City Centre, United Kingdom (“**UK**”); and
- The Lowry Hotel, Manchester¹, UK,

(collectively, the “**Existing Portfolio**”).

All the properties, with the exception of Claymore Connect (a retail mall adjoining Orchard Hotel), Jumeirah Dhevanafushi, the Japan Hotels², Hilton Cambridge City Centre and The Lowry Hotel, are leased to external master lessees by H-REIT. Claymore Connect is leased directly to retail tenants by H-REIT. Jumeirah Dhevanafushi, the Japan Hotels and Hilton Cambridge City Centre are managed by external hotel management companies. The Lowry Hotel is managed by The Lowry Hotel Limited, which is an indirect wholly-owned subsidiary of the HBT Trustee-Manager.

2. The Acquisitions

Acquisition of The Lowry Hotel

On 4 May 2017, the Managers announced CDLHT’s acquisition of The Lowry Hotel, a purpose-built five-star luxury hotel located in Manchester, UK. CDL HBT North Ltd, an indirect wholly-owned subsidiary of the HBT Trustee-Manager, had entered into a share

1 This refers to the metropolitan county of Greater Manchester.

2 “**Japan Hotels**” refer to Hotel MyStays Asakusabashi and Hotel MyStays Kamata which are both located in Tokyo, Japan.

purchase agreement with North Low S.Á R.L. (the “**UK Vendor**”) for the acquisition of 100.0% of the issued share capital of The Lowry Hotel Limited (which holds The Lowry Hotel) (the “**UK HotelCo**”).

The acquisition was completed on 4 May 2017 and the purchase consideration was approximately £52.9 million (approximately S\$94.7 million), comprising the property price of £52.5 million (approximately S\$94.1 million) (the “**UK Property Consideration**”) and payment of approximately £0.4 million (approximately S\$0.7 million) based on the estimated net working capital and cash of the UK HotelCo, as at the time of completion.

The UK Property Consideration was arrived at on a willing-buyer and willing-seller basis following a tender exercise conducted by the UK Vendor, and taking into account the independent valuation of The Lowry Hotel of £52.5 million (approximately S\$94.1 million) by Knight Frank LLP (“**Knight Frank**”) as at 28 April 2017.

Acquisition of an Interest in Pullman Hotel Munich

On 27 June 2017, the Managers announced CDLHT’s proposed acquisition of an effective interest of 94.5% in the property comprising Pullman Hotel Munich (the “**Germany Hotel**”), its office and retail components (the “**Commercial Components**”) and the fixtures, furniture and equipment used by the Germany Hotel (“**FF&E**”, together with the Germany Hotel and the Commercial Components, the “**Germany Property**”).

CDLHT Munich One Pte. Ltd., a wholly-owned subsidiary of the H-REIT Trustee, had entered into a share purchase agreement with Event Hospitality Group B.V. (the “**German Vendor**”) for the acquisition of (i) 94.9% of the issued share capital of NKS Hospitality I B.V. (“**NKS**”) and (ii) 94.9% of the issued share capital of Munich Furniture B.V. (“**FurnitureCo**”), thereby acquiring an effective interest of 94.5%¹ in the Germany Property. The Germany Property is a mixed-use complex on two freehold land plots located in Munich, Germany, consisting predominantly of a purpose-built hotel with a 4-star rating, as well as secondary spaces currently let out to four retail and seven office tenants.

The Germany Hotel is co-owned by NKS and Provent Immobilien Beteiligungs GmbH (“**Provent**”) under a cooperation agreement, where NKS owns 99.51% of the Germany Hotel and 100.0% of the Commercial Components. FurnitureCo is the legal owner of the FF&E.

CDLHT’s acquisition of an effective interest of 94.5% in the Germany Property is expected to be completed on or around 18 July 2017. The purchase consideration for the acquisition is €100.6 million (approximately S\$156.3 million), comprising the property price of €98.9 million (approximately S\$153.8 million) (the “**Germany Property Consideration**”) and the payment of approximately €1.7 million (approximately S\$2.6 million) based on the estimated net working capital and cash of each of FurnitureCo and NKS (collectively, the “**Target Companies**”) as at the time of completion.

The Germany Property Consideration was arrived at on a willing-buyer and willing-seller basis following a tender exercise conducted by the German Vendor, and took into account the independent valuation of the market value of the Germany Property of €105.3 million (approximately S\$163.7 million) by CBRE GmbH (“**CBRE**”) in its valuation report dated 26 May 2017.

¹ CDLHT Munich One Pte. Ltd.’s effective interest of 94.5% in the Germany Property is computed based on (a) its 94.4% interest in the Germany Hotel (derived based on its 94.9% interest in NKS, which in turn owns 99.5% of the Germany Hotel (its 94.4% interest represents 85.9% of the property value)), (b) its 94.9% interest in the Commercial Components (which represent 9.5% of the property value) and (c) a 94.9% interest in the FF&E (which represents 4.6% of the property value). The German Vendor and Provent hold an effective interest of 5.1% and 0.4% respectively in the Germany Property.

(See the section entitled “Information Relating to the Acquisitions” for further details relating to the Acquisition.)

3. The Rights Issue

The Rights Issue comprises an offer of 199,545,741 Rights Stapled Securities on a fully underwritten basis (less the number of Rights Stapled Securities subscribed for pursuant to the Sponsor Undertaking (as defined herein)) and renounceable basis to Eligible Stapled Securityholders based on the Rights Ratio of 20 Rights Stapled Securities for every 100 existing Stapled Securities in CDLHT (“**Existing Stapled Securities**”) held as at the Rights Issue Books Closure Date (fractional entitlements to be disregarded), at an issue price of S\$1.280 per Rights Stapled Security (the “**Issue Price**”), to raise gross proceeds of approximately S\$255.4 million.

The Rights Issue would provide Eligible Stapled Securityholders with the opportunity to subscribe for their *pro rata* entitlement to the Rights Stapled Securities at the Issue Price, which is at a discount of:

- (i) approximately 23.8% to the closing price of S\$1.680 per Stapled Security on the SGX-ST on 27 June 2017, being the last trading day of the Stapled Securities prior to the announcement of the Rights Issue (“**Closing Price**”); and
- (ii) 20.7% to the theoretical ex-rights price (“**TERP**”) of S\$1.613 per Stapled Security which is calculated as follows:

$$\text{TERP} = \frac{\text{Market capitalisation of CDLHT based on the Closing Price} + \text{Gross proceeds from the Rights Issue}}{\text{Stapled Securities outstanding after the Rights Issue}}$$

The Rights Stapled Securities will be issued pursuant to the general mandate (the “**General Mandate**”) that was given by the Stapled Securityholders to the Managers for the issue of new Stapled Securities, pursuant to an ordinary resolution obtained at the annual general meetings of Stapled Securityholders held on 26 April 2017.

4. Use of Proceeds

For each dollar of the gross proceeds of approximately S\$255.4 million that will be raised from the Rights Issue, the Managers intend to allocate the proceeds from the Rights Issue in the following manner:

- (i) approximately 97.9 cents (equivalent to approximately S\$250.0 million) will be used to partially repay CDLHT’s existing borrowings¹;
- (ii) approximately 1.7 cents (equivalent to approximately S\$4.4 million) will be used to pay for the total costs and expenses relating to the Rights Issue; and
- (iii) approximately 0.4 cents (equivalent to approximately S\$1.0 million) will be used for working capital and capital expenditure purposes.

¹ The existing borrowings to be partially repaid shall not include the loan facilities drawn down and to be drawn down respectively to finance CDLHT’s acquisition of The Lowry Hotel and an effective interest of 94.5% in Pullman Hotel Munich (collectively, the “**Acquisitions**”).

Notwithstanding their current intention, the Managers may, subject to relevant laws and regulations, use the net proceeds from the Rights Issue at their absolute discretion for other purposes, including funding other acquisitions.

Pending deployment of the net proceeds from the Rights Issue, the net proceeds may be deposited with banks and/or financial institutions, or used for any other purpose on a short-term or interim basis as the Managers may, in their absolute discretion, deem fit.

The Managers will make periodic announcements on the utilisation of the proceeds of the Rights Issue via SGXNET as and when such funds are materially utilised and provide a status report on the use of the proceeds from the Rights Issue in the annual reports of CDLHT. Where there is any material deviation from the stated use of proceeds, the Managers will announce the reasons for such deviation.

5. Rationale for the Rights Issue

The Managers believe that the Rights Issue will provide Stapled Securityholders with the following benefits:

(i) Enhanced financial flexibility from lower gearing and increased debt headroom

The Managers had on 4 May 2017, announced the completion of the acquisition of The Lowry Hotel in Manchester, UK, which was fully funded via offshore GBP denominated debt financing. Subsequently on 27 June 2017, the Managers announced the acquisition of an effective interest of 94.5% in Pullman Hotel Munich in Munich, Germany. Both the Acquisitions will be fully funded by debt financing, so as to allow CDLHT to capitalise on the window of opportunity presented by the low funding environment in Europe, thereby enjoying an attractive spread between the property yield and borrowing rates.

Following the completion of the Acquisitions, CDLHT's gearing is expected to increase from 36.8% (as at 31 March 2017) to 42.6%.

The Rights Issue will reduce CDLHT's gearing and is expected to strengthen CDLHT's balance sheet and increase its financial flexibility for future growth. The Managers intend to utilise the proceeds from the Rights Issue to partially repay CDLHT's existing borrowings. This will reduce CDLHT's gearing from 42.6% (post-completion of the Acquisitions) to 33.6%.

The Managers believe that a reduced gearing will provide CDLHT with an enhanced credit profile for greater financial flexibility and access to more funding options, increasing CDLHT's ability to pursue future growth opportunities with an enlarged debt headroom of approximately S\$577.2 million, based on a regulatory gearing limit of 45.0%, via acquisitions and/or asset enhancement initiatives, in an efficient manner.

In addition, the realignment of CDLHT's capital structure through the partial repayment of higher interest-bearing borrowings will lower its weighted average cost of debt and further improve its interest coverage ratio.

Furthermore, as an illustration, assuming CDLHT owned The Lowry Hotel and Pullman Hotel Munich from 1 January 2016 and proceeded with a rights issue to raise proceeds to partially repay existing borrowings to maintain CDLHT's gearing ratio at 36.8%¹, the Acquisitions are expected to be accretive.

(ii) Provide an opportunity for Eligible Stapled Securityholders with *pro rata* entitlement to Rights Stapled Securities at an attractive price

The Rights Issue provides an opportunity for Eligible Stapled Securityholders to subscribe for their *pro rata* Rights Entitlement at an Issue Price of S\$1.280 which is at a discount of 23.8% to Closing Price.

The Rights Entitlements are renounceable, and Eligible Stapled Securityholders who do not wish to subscribe for their entitlements may sell their "nil-paid" rights and crystallise the value of the rights discount.

(iii) Potential increase in trading liquidity of Stapled Securities

The Rights Issue will increase the number of Stapled Securities in issue by 199,545,741 Stapled Securities, which is an increase of 20.0% of the total number of Stapled Securities in issue as at the Latest Practicable Date. The increase in the total number of Stapled Securities in issue pursuant to the Rights Issue may improve the trading liquidity of the Stapled Securities after the Rights Issue.

6. Underwriting of the Rights Issue

The Rights Issue (less the number of Rights Stapled Securities subscribed for pursuant to the Sponsor Undertaking) is fully underwritten by the Lead Manager and Underwriter on the terms and subject to the conditions of a management and underwriting agreement entered into between the Managers and the Lead Manager and Underwriter on 27 June 2017 (the "**Management and Underwriting Agreement**").

The Lead Manager and Underwriter will be entitled to a commission of 1.5% of the Issue Price multiplied by the total number of Rights Stapled Securities less the number of Rights Stapled Securities subscribed for by the Subscribing Entities pursuant to the Sponsor Undertaking.

It should be noted that the Management and Underwriting Agreement may be terminated upon the occurrence of certain events, including those of a *force majeure* nature, but the Lead Manager and Underwriter is not entitled to rely on *force majeure* to terminate the Management and Underwriting Agreement on or after the date on which ex-rights trading commences (being 3 July 2017) (in compliance with Rule 818 of the Listing Manual of the SGX-ST (the "**Listing Manual**")).

7. Commitment of the Sponsor

To demonstrate its support for CDLHT and the Rights Issue, the Sponsor will, through its wholly-owned subsidiaries, subscribe and pay in full for the total provisional allotment of the Rights Stapled Securities of its wholly-owned subsidiaries Hospitality Holdings Pte. Ltd., the H-REIT Manager and the HBT Trustee-Manager (collectively, the "**Relevant Entities**"), which in the aggregate represents approximately 36.98% of the Rights Issue.

¹ Based on an illustrative hypothetical scenario with a rights issue raising gross proceeds of S\$167.8 million such that the gearing of CDLHT is maintained at 36.8%.

8. Sponsor Undertaking

The Sponsor, through the Relevant Entities, has in the aggregate deemed interests in 368,949,703 Stapled Securities (the “**Sponsor Stapled Securities**”) representing approximately 36.98% of the issued Stapled Securities as at the Latest Practicable Date, has on 27 June 2017, provided an irrevocable undertaking (the “**Sponsor Undertaking**”) to each of (a) the Managers and (b) the Lead Manager and Underwriter that:

- (i) as at the Rights Issue Books Closure Date, the Sponsor have in aggregate a deemed interest in not less than the Sponsor Stapled Securities credited to the Relevant Entities’ securities accounts with CDP and/or depository agents (as the case may be);
- (ii) in accordance with the terms and conditions of the Rights Issue and in any case not later than the last day for acceptance and payment of the Rights Stapled Securities (“**Closing Date**”), the Sponsor will procure that the Relevant Entities and/or one or more of its wholly-owned subsidiaries (together with the Relevant Entities, the “**Subscribing Entities**”) to accept (as the case may be), subscribe and pay in full for, the Relevant Entities’ respective provisional allotment of Rights Stapled Securities (the “**Pro Rata Allocation**”);
- (iii) it will procure the Relevant Entities not to, on or before the Closing Date, sell, transfer or otherwise dispose of the Stapled Securities (or any interest therein) held by the Relevant Entities as at the date hereof, other than to its wholly-owned subsidiaries;
- (iv) save for the Pro Rata Allocation, it will not, and will procure the Relevant Entities not to, directly or indirectly acquire any further interest in the Rights Stapled Securities (including Excess Rights Stapled Securities) (whether such Stapled Securities are held by any Subscribing Entity or are Stapled Securities that any Subscribing Entity will be deemed interested in pursuant to the SFA) in CDLHT pursuant to the Rights Issue;
- (v) without prejudice to the generality of paragraph (iv) above:
 - (a) it will not, directly or indirectly, apply for any Excess Rights Stapled Securities;
 - (b) it will procure that:
 - (I) corporations in which it has a controlling interest;
 - (II) corporations which are (or its directors are) accustomed or under an obligation, whether formal or informal, to act in accordance with its directions, instructions or wishes; and
 - (III) persons who are acting in concert or presumed to be acting in concert (as defined in the Singapore Code on Take-overs and Mergers issued by the MAS) with it,

do not, directly or indirectly, subscribe for any Rights Stapled Securities (except where such subscription is made in exercise of their rights in respect of their provisional allotment of Rights Stapled Securities) and/or apply for any Excess Rights Stapled Securities;

(vi) unless required by applicable law or regulations (including any stock exchange requirements) or by an order of a court of competent jurisdiction, the Sponsor will not, and will procure that the Relevant Entities will not make any public statement or announcement regarding the Rights Issue, or circulate the Sponsor Undertaking or make any disclosure in connection therewith to any person (other than disclosure on a need-to-know basis to its affiliates, directors, officers and advisers) without first obtaining the prior written consent of the Managers and the Lead Manager and Underwriter (such consent not to be unreasonably withheld).

9. Status of the Rights Issue

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.

The Rights Stapled Securities will, upon allotment and issue, rank *pari passu* in all respects with the existing Stapled Securities in issue as at the date of issue of the Rights Stapled Securities including the right to any distributions which may accrue for the period from 1 January 2017 to 30 June 2017 as well as all distributions thereafter.

Eligible Stapled Securityholders who validly accept, in full, their provisional allotments of Rights Stapled Securities in accordance with the terms of this Offer Information Statement, will receive such amount of the accrued distributions for the period from 1 January 2017 to 30 June 2017 to which they would have been entitled to had the Rights Issue not occurred. Eligible Stapled Securityholders who decide not to accept in full their provisional allotments of Rights Stapled Securities can, where applicable, make arrangements to trade their Rights Entitlements on the SGX-ST under the book-entry (scripless) settlement system.

For Ineligible Stapled Securityholders, the Managers may, at their absolute discretion and if it is practicable to do so, arrange for the Rights Entitlements which would otherwise have been provisionally allotted to Ineligible Stapled Securityholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Managers, in their absolute discretion, determine that the proceeds from such sales can at least cover the expenses to be incurred in relation thereto. There is no guarantee that such sale will be successful, and even if successful, the proceeds of any such sale may not be sufficient to compensate him fully for the dilution of his Stapled Securityholding as a result of the Rights Issue. (See the section entitled "Eligibility of Stapled Securityholders to Participate in the Rights Issue – Ineligible Stapled Securityholders".)

PRINCIPAL TERMS OF THE RIGHTS ISSUE

The following principal terms and conditions of the Rights Issue are derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and are qualified in their entirety by reference to information appearing elsewhere in this Offer Information Statement.

- Issue Size** : 199,545,741 Rights Stapled Securities.
- The Rights Issue is expected to raise gross proceeds of approximately S\$255.4 million and net proceeds of approximately S\$251.0 million.
- Basis of Provisional Allotments** : Each Eligible Stapled Securityholder is entitled to subscribe for 20 Rights Stapled Securities for every 100 existing Stapled Securities standing to the credit of his Securities Account with CDP as at the Rights Issue Books Closure Date, fractional entitlements to be disregarded.
- Issue Price** : S\$1.280 per Rights Stapled Security.
- The Rights Stapled Securities are payable in full upon acceptance and/or application.
- Administrative Fee** : An administrative fee will be incurred by applicants for each Electronic Application made through the ATMs of the Participating Banks.
- Status of Rights Stapled Securities** : The Rights Stapled Securities will, upon allotment and issue, rank *pari passu* in all respects with the existing Stapled Securities in issue as at the date of issue of the Rights Stapled Securities. Eligible Stapled Securityholders who validly accept, in full, their Rights Entitlements, will receive such amount of the accrued distributions for the period from 1 January 2017 to 30 June 2017 to which they would have been entitled had the Rights Issue not occurred, including the right to any distributions thereafter.
- Eligible Stapled Securityholders who decide not to accept in full their Rights Entitlements can, where applicable, make arrangements to trade them on the SGX-ST under the book-entry (scripless) settlement system. The Managers may also, at their absolute discretion, make arrangements for the Rights Entitlements which would otherwise have been allotted to Ineligible Stapled Securityholders to be sold “nil-paid” on the SGX-ST under the book-entry (scripless) settlement system.
- Such sales may, however, only be effected if the Managers, in their absolute discretion, determine that the proceeds from such sales can at least cover the expenses to be incurred in relation thereto.

Eligibility to participate in the Rights Issue : Eligible Stapled Securityholders are at liberty to accept in part or in full, decline, renounce or trade on the SGX-ST (during the “nil-paid” rights trading period prescribed by the SGX-ST) their *pro rata* Rights Entitlements and are eligible to apply for the Excess Rights Stapled Securities.

(See the section entitled “Eligibility of Stapled Securityholders to Participate in the Rights Issue” for further details.)

Rights Entitlements of Eligible Stapled Securityholders : Eligible Stapled Securityholders will receive their Rights Entitlements and are at liberty to accept in part or in full, decline, renounce or trade on the SGX-ST (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for the Excess Rights Stapled Securities on 10 July 2017 from 9.00 a.m. up to the Closing Date as set out in the section entitled “Timetable of Key Events”.

Eligible Stapled Securityholders who wish to renounce their Rights Entitlements in favour of a third party should note that CDP requires three Market Days to effect such renunciation. As such, Eligible Stapled Securityholders who wish to renounce their Rights Entitlements are advised to do so early to allow sufficient time for the renounee to accept his Rights Entitlements and make payment for the Rights Stapled Securities.

Each Eligible Stapled Securityholder may, among other things, choose to:

- (i) accept all or a portion of his Rights Entitlements;
- (ii) renounce all or a portion of Rights Entitlements in favour of a third party; and/or
- (iii) trade all or a portion of his Rights Entitlements.

In addition, each Eligible Stapled Securityholder may also apply for Excess Rights Stapled Securities.

The procedures for acceptance, payment, renunciation and application for Rights Stapled Securities and/or Excess Rights Stapled Securities by Eligible Stapled Securityholders are set out in Appendix B and Appendix C of this Offer Information Statement.

Ineligible Stapled Securityholders : No provisional allotments of Rights Stapled Securities will be made to Ineligible Stapled Securityholders and no purported acceptance thereof or application for Excess Rights Stapled Securities thereof by Ineligible Stapled Securityholders will be valid.

Ineligible Stapled Securityholders should refer to the section entitled “Eligibility of Stapled Securityholders to Participate in the Rights Issue – Ineligible Stapled Securityholders”.

Trading of the Rights Stapled Securities/Rights Entitlements : Eligible Stapled Securityholders who wish to trade all or part of their Rights Entitlements on the SGX-ST can do so for the period commencing on 10 July 2017 from 9.00 a.m., being the date and time of commencement of the Rights Entitlements trading, and ending on 24 July 2017 at 5.00 p.m., being the last date and time of the Rights Entitlements trading.

The Rights Stapled Securities and the Rights Entitlements will be traded on the Mainboard of the SGX-ST under the book-entry (scripless) settlement system. Eligible Stapled Securityholders who wish to trade all or part of their Rights Entitlements on the SGX-ST during the Rights Entitlements trading period should note that the Rights Entitlements will be traded in either board lots of 1 Rights Entitlement or 100 Rights Entitlements. All dealings in and transactions (including transfers) of the Rights Stapled Securities effected through the SGX-ST and/or CDP shall be made in accordance with the “Terms and Conditions for Operation of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP.

Manner of Refund : When any acceptance of Rights Entitlements and/or Excess Rights Stapled Securities application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within three business days after commencement of trading of the Rights Stapled Securities by any one or a combination of the following:

- (i) where the acceptance and/or application had been made through CDP, by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses maintained with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution; and
- (ii) where the acceptance and/or application had been made through Electronic Applications, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge of the Managers’ and CDP’s obligations.

Trading of Odd Lots of Stapled Securities : Eligible Stapled Securityholders who hold odd lots of Stapled Securities (that is, lots other than board lots of 100 Stapled Securities) and who wish to trade in odd lots are able to trade odd lots of Stapled Securities on the SGX-ST’s Unit Share Market¹.

¹ “Unit Share Market” refers to the ready market of the SGX-ST for trading of odd lots of Stapled Securities with a minimum size of one Stapled Security.

Underwriting : The Rights Issue (less the number of Rights Stapled Securities subscribed for pursuant to the Sponsor Undertaking) is fully underwritten by the Lead Manager and Underwriter on the terms and subject to the conditions of the Management and Underwriting Agreement.

(See the sections entitled “Summary – Underwriting of the Rights Issue” and “Summary – Commitment of the Sponsor” for further details.)

Listing of the Rights Stapled Securities : Approval in-principle has been obtained from the SGX-ST on 27 June 2017 for the listing and quotation of, *inter alia*, the Rights Stapled Securities on the Mainboard of the SGX-ST.

The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Stapled Securities, CDLHT and/or its subsidiaries.

Stapled Securityholders who are SRS investors or who hold Stapled Securities through a finance company and/or Depository Agent : **SRS investors and investors who hold Stapled Securities through a finance company and/or Depository Agent should see the section entitled “Important Notice to (A) SRS Investors and (B) Investors who Hold Stapled Securities Through a Finance Company and/or Depository Agent” for important details.**

Governing Law : Laws of the Republic of Singapore.

AS THE RIGHTS ISSUE IS MADE ON A RENOUNCEABLE BASIS, THE RIGHTS ENTITLEMENTS CAN BE RENOUNCED IN FAVOUR OF A THIRD PARTY OR, TRADED ON THE SGX-ST DURING THE RIGHTS ENTITLEMENTS TRADING PERIOD.

TIMETABLE OF KEY EVENTS

The timetable for the Rights Issue is set out below:

Event	Date and Time
Last day of “cum-rights” trading for the Rights Issue	: 30 June 2017
First day of “ex-rights” trading for the Rights Issue	: 3 July 2017
Rights Issue Books Closure Date	: 5 July 2017 at 5.00 p.m.
Despatch of this Offer Information Statement (together with the application forms) to Eligible Stapled Securityholders	: 10 July 2017
Commencement of trading of Rights Entitlements	: 10 July 2017 from 9.00 a.m.
Last date and time for trading of Rights Entitlements	: 18 July 2017 at 5.00 p.m.
Closing Date:	
Last date and time for acceptance of the Rights Entitlements and payment for Rights Stapled Securities ⁽¹⁾	: 24 July 2017 at 5.00 p.m. ⁽²⁾ (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for application and payment for Excess Rights Stapled Securities ⁽¹⁾	: 24 July 2017 at 5.00 p.m. ⁽²⁾ (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for acceptance of and payment by the renounees ⁽¹⁾	: 24 July 2017 at 5.00 p.m. ⁽³⁾
Expected date of the issuance of the Rights Stapled Securities	: 2 August 2017
Expected date for crediting of Rights Stapled Securities	: 2 August 2017
Expected date for commencement of trading of Rights Stapled Securities on the SGX-ST	: 2 August from 9.00 a.m.

Notes:

- (1) This does not apply to SRS investors and investors who hold Stapled Securities through a finance company and/or Depository Agent. SRS investors and investors who hold Stapled Securities through a finance company and/or Depository Agent should see the section entitled “Important Notice to (A) SRS Investors and (B) Investors who hold Stapled Securities through a Finance Company and/or Depository Agent”. **Any application made by these investors directly through CDP or through ATMs will be rejected.** Such investors, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved bank, finance company and/or Depository Agent.
 - (2) If acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Stapled Securities, as the case may be, are made through CDP in accordance with the ARE and the ARS.
 - (3) Eligible Stapled Securityholders who wish to renounce their Rights Entitlements in favour of a third party should note that CDP requires at least three Market Days to effect such renunciation.
- As such, Eligible Stapled Securityholders who wish to renounce their Rights Entitlements are advised to do so early to allow sufficient time for the renounee to accept his Rights Entitlements and make payment for Rights Stapled Securities.

The Managers may, in consultation with the Lead Manager and Underwriter and with the approval of the SGX-ST, modify the above timetable subject to any limitation under any applicable laws. In such an event, the Managers will announce the same via the SGXNET. However, as at the date of this Offer Information Statement, the Managers do not expect the above timetable to be modified.

RESULTS OF THE ALLOTMENT

The Managers will announce the results of the Rights Issue through an SGXNET announcement to be posted on the SGX-ST website at www.sgx.com.

CREDITING OF RIGHTS STAPLED SECURITIES

The Rights Entitlements will be provisionally allotted to Eligible Stapled Securityholders on or about 7 July 2017 by crediting the “nil-paid” rights to the Eligible Stapled Securityholders’ Securities Accounts. The Rights Stapled Securities will be credited on or about 2 August 2017.

In the case of Eligible Stapled Securityholders and their renounees with valid acceptances and (where applicable) successful applications for Excess Rights Stapled Securities, a notification letter representing such number of Rights Stapled Securities will be sent by CDP within 10 Market Days after the Closing Date.

(See **Appendix B** for further details relating to the procedures for acceptance, payment, renunciation and application for Rights Stapled Securities and/or Excess Rights Stapled Securities by Eligible Stapled Securityholders.)

OVERVIEW OF CDLHT

BACKGROUND OF CDLHT

CDLHT

CDLHT is a stapled group comprising H-REIT and HBT. The H-REIT Units and HBT Units are stapled together under the terms of the Stapling Deed, and cannot be traded separately.

H-REIT and HBT

H-REIT is a Singapore-based REIT established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate which is primarily used for hospitality and/or hospitality-related purposes, whether wholly or partially, and real estate-related assets in relation to the foregoing. Real estate which is used for “hospitality” purposes includes hotels, motels and other lodging facilities, serviced residences and resorts, whether in existence by themselves as a whole or as part of larger mixed-use developments (where such mixed-use developments may also include entertainment, leisure and/or gaming-related facilities).

The H-REIT Manager is an indirect wholly-owned subsidiary of the Sponsor.

HBT was dormant since the listing of CDLHT on the Main Board of the SGX-ST on 19 July 2006, until it was activated on 31 December 2013 by the HBT Trustee-Manager to be the master lessee of a Maldives property, a property which was acquired by a wholly-owned subsidiary of H-REIT and which was leased to a wholly-owned subsidiary of HBT. Since then, HBT has proceeded to act as the master lessee of Hotel MyStays Asakusabashi and Hotel MyStays Kamata (both located in Tokyo) and on 1 October 2015, acquired Hilton Cambridge City Centre (formerly Cambridge City Hotel), which is managed by Hilton Hotels and Resorts. On 4 May 2017, HBT acquired The Lowry Hotel which continues to be operated by its holding company The Lowry Hotel Limited (a wholly-owned subsidiary of the HBT Trustee-Manager).

The HBT Trustee-Manager is wholly-owned by the H-REIT Manager.

Existing Portfolio

As at the Latest Practicable Date, the Existing Portfolio comprises the following 19 properties:

- Orchard Hotel, Singapore;
- Grand Copthorne Waterfront Hotel, Singapore;
- M Hotel, Singapore;
- Copthorne King’s Hotel, Singapore;
- Studio M Hotel, Singapore;
- Novotel Singapore Clarke Quay, Singapore;
- Claymore Connect, Singapore;
- Novotel Brisbane, Australia;
- Mercure Brisbane, Australia;

- Ibis Brisbane, Australia;
- Mercure Perth, Australia;
- Ibis Perth, Australia;
- Grand Millennium Auckland, New Zealand;
- Angsana Velavaru, Maldives;
- Jumeirah Dhevanafushi, Maldives;
- Hotel MyStays Asakusabashi, Tokyo, Japan;
- Hotel MyStays Kamata, Tokyo, Japan;
- Hilton Cambridge City Centre, UK; and
- The Lowry Hotel, Manchester¹, UK.

All the properties, with the exception of Claymore Connect (a retail mall adjoining Orchard Hotel), Jumeirah Dhevanafushi, the Japan Hotels, Hilton Cambridge City Centre and The Lowry Hotel, are leased to external master lessees by H-REIT. Claymore Connect is leased directly to retail tenants by H-REIT. Jumeirah Dhevanafushi, the Japan Hotels and Hilton Cambridge City Centre are managed by external hotel management companies. The Lowry Hotel is managed by The Lowry Hotel Limited, which is an indirect wholly-owned subsidiary of the HBT Trustee-Manager.

GENERAL DEVELOPMENT OF CDLHT

The general development of the business of CDLHT from 1 January 2014 (the beginning of the period comprising the three most recent completed financial years) to 30 June 2017 (being the Latest Practicable Date), is set out below. Save as disclosed below, to the best of the Managers' knowledge and belief, there have been no material changes in the affairs of CDLHT since the release of CDLHT's financial results for the first quarter ended 31 March 2017.

Date	Significant Developments
19 December 2014	: H-REIT completed its acquisition of Hotel MyStays Asakusabashi and Hotel MyStays Kamata, both located in Tokyo, Japan.
1 October 2015	: HBT completed its acquisition of Cambridge City Hotel (subsequently renamed as Hilton Cambridge City Centre) and appointed Hilton UK Manage Limited (an affiliate of Hilton Worldwide Inc.) to provide management services in respect of Cambridge City Hotel up to 31 December 2027.
7 October 2015	: Claymore Connect officially opened following a comprehensive asset enhancement exercise, which started in December 2013.

¹ This refers to the metropolitan county of Greater Manchester.

Date	Significant Developments
17 June 2016	: CDLHT (BVI) One Ltd, a wholly-owned subsidiary of H-REIT, the owner of Rendezvous Hotel Auckland, entered into a deed of lease with Hospitality Services Limited, a wholly-owned subsidiary of Millennium & Copthorne Hotels New Zealand Limited, in relation to the lease of Rendezvous Hotel Auckland for use as a hotel and all and any activities associated with a hotel. Following the commencement of the lease on 7 September 2016, Rendezvous Hotel Auckland was rebranded as Grand Millennium Auckland.
4 May 2017	: HBT completed its acquisition of The Lowry Hotel, a purpose-built 5-star luxury hotel located in Manchester, UK.
27 June 2017	: The Managers announced H-REIT's acquisition of an effective interest of 94.5% of Pullman Hotel Munich, which includes a hotel with a 4-star rating with several office and retail units, located in Munich, Germany.

Latest Valuation

The latest valuation of the properties comprising the Existing Portfolio (excluding The Lowry Hotel) as at 31 December 2016 is S\$2,438.5 million.

The Manager of H-REIT and the Trustee-Manager of HBT

The manager of H-REIT is M&C REIT Management Limited and the trustee-manager of HBT is M&C Business Trust Management Limited, and their registered office is located at 36 Robinson Road, #04-01 City House, Singapore 068877. The Directors of the H-REIT Manager are also Directors of the HBT Trustee-Manager. The names and addresses of the Directors are set out below.

Name	Position	Address
Mr Wong Hong Ren	Chairman and Non-Executive Director	c/o 36 Robinson Road, #04-01 City House, Singapore 068877
Mr Vincent Yeo Wee Eng	Chief Executive Officer and Executive Director	c/o 36 Robinson Road, #04-01 City House, Singapore 068877
Dr Foo Say Mui (Bill)	Lead Independent Director	c/o 36 Robinson Road, #04-01 City House, Singapore 068877
Mr Ronald Seah Lim Siang	Independent Non-Executive Director	c/o 36 Robinson Road, #04-01 City House, Singapore 068877
Mr Kenny Kim	Independent Non-Executive Director	c/o 36 Robinson Road, #04-01 City House, Singapore 068877

Information on the Stapled Securities

As at the Latest Practicable Date, there were 997,728,708 Stapled Securities in issue.

Substantial Stapled Securityholders¹ of CDLHT and their Stapled Securityholdings

Based on the Register of Substantial Stapled Securityholders maintained by the Managers, the Substantial Stapled Securityholders of CDLHT² and their interests in the Stapled Securities as at the Latest Practicable Date are as follows:

Stapled Securityholders	Direct Interest		Deemed Interest		Total Interest	
	No. of Stapled Securities	%	No. of Stapled Securities	%	No. of Stapled Securities	%
Hospitality Holdings Pte. Ltd.	313,950,000	31.47 ⁽⁵⁾	–	–	313,950,000	31.47 ⁽⁵⁾
M&C REIT Management Limited	54,713,453	5.48 ⁽⁵⁾	286,250	0.03 ⁽⁵⁾	54,999,703	5.51 ⁽⁵⁾
ATOS Holding AG	–	–	313,950,000 ⁽¹⁾	31.47 ⁽⁴⁾	313,950,000	31.47 ⁽⁴⁾
M&C Hotel Investments Pte. Ltd.	–	–	54,999,703 ⁽²⁾	5.51 ⁽⁵⁾	54,999,703	5.51 ⁽⁵⁾
M&C Hospitality International Limited	–	–	54,999,703 ⁽²⁾	5.51 ⁽⁵⁾	54,999,703	5.51 ⁽⁵⁾
M&C Singapore Holdings (UK) Limited	–	–	54,999,703 ⁽²⁾	5.51 ⁽⁵⁾	54,999,703	5.51 ⁽⁵⁾
Millennium & Copthorne Hotels plc	–	–	368,949,703 ⁽³⁾	36.98 ⁽⁵⁾	368,949,703	36.98 ⁽⁵⁾
City Developments Limited	–	–	368,949,703 ⁽³⁾	36.98 ⁽⁵⁾	368,949,703	36.98 ⁽⁵⁾
Hong Leong Investment Holdings Pte. Ltd.	–	–	372,949,703 ⁽⁴⁾	37.38 ⁽⁵⁾	372,949,703	37.38 ⁽⁵⁾
Davos Investment Holdings Private Limited	–	–	372,949,703 ⁽⁴⁾	37.38 ⁽⁵⁾	372,949,703	37.38 ⁽⁵⁾
Kwek Holdings Pte Ltd	–	–	372,949,703 ⁽⁴⁾	37.38 ⁽⁵⁾	372,949,703	37.38 ⁽⁵⁾

Notes:

- (1) ATOS Holding AG is deemed under Section 4 of the SFA, to have an interest in the 313,950,000 Stapled Securities held by a company in which they are entitled to exercise or control the exercise of not less than 20.0% of the votes attached to the Stapled Securities thereof.
- (2) M&C Hotel Investments Pte. Ltd., M&C Hospitality International Limited and M&C Singapore Holdings (UK) Limited are deemed under Section 4 of the SFA, to have an interest in the 54,999,703 Stapled Securities held by companies in which they are entitled to exercise or control the exercise of not less than 20.0% of the votes attached to the Stapled Securities thereof.
- (3) Millennium & Copthorne Hotels plc and City Developments Limited are deemed under Section 4 of the SFA, to have an interest in the 368,949,703 Stapled Securities held by companies in which they are entitled to exercise or control the exercise of not less than 20.0% of the votes attached to the Stapled Securities thereof.
- (4) Hong Leong Investment Holdings Pte. Ltd., Davos Investment Holdings Private Limited and Kwek Holdings Pte Ltd are deemed under Section 4 of the SFA, to have an interest in the 372,949,703 Stapled Securities held by companies in which they are entitled to exercise or control the exercise of not less than 20.0% of the votes attached to the Stapled Securities thereof.
- (5) The Stapled Securityholding percentage is calculated based on 997,728,708 issued Stapled Securities as at the Latest Practicable Date.

1 “Substantial Stapled Securityholders” refer to Stapled Securityholders with interests in not less than 5.0% of all Stapled Securities in issue.

2 The Substantial Stapled Securityholders do not have different voting rights from ordinary Stapled Securityholders.

History of Issuance of Stapled Securities

The table below sets out the Stapled Securities issued for cash or services within the 12 months immediately preceding the Latest Practicable Date.

Date	Number of Stapled Securities Issued
29 July 2016	841,325 Stapled Securities were issued to the H-REIT Manager at an issue price of S\$1.4135 per Stapled Security as payment for 80.0% of the management fee for the period from 1 April 2016 to 30 June 2016.
28 October 2016	869,234 Stapled Securities were issued to the H-REIT Manager at an issue price of S\$1.3887 per Stapled Security as payment for 80.0% of the management fee for the period from 1 July 2016 to 30 September 2016.
26 January 2017	925,435 Stapled Securities were issued to the H-REIT Manager at an issue price of S\$1.3157 per Stapled Security as payment for 80.0% of the management fee for the period from 1 October 2016 to 31 December 2016.
7 April 2017	3,903,398 Stapled Securities were issued to the H-REIT Manager at an issue price of S\$1.3157 per Stapled Security as payment for 80.0% of the performance fee for the financial year ended 31 December 2016.
26 April 2017	842,566 Stapled Securities were issued to the H-REIT Manager at an issue price of S\$1.4022 per Stapled Security as payment for 80.0% of the management fee for the period from 1 January 2017 to 31 March 2017.
26 April 2017	266,126 Stapled Securities were issued to the HBT Trustee-Manager at an issue price of S\$1.3157 per Stapled Security as payment for 80.0% of the management fee for the financial year ended 31 December 2016.
26 April 2017	20,124 Stapled Securities were issued to the HBT Trustee-Manager at an issue price of S\$1.4022 per Stapled Security as payment for 80.0% of the management fee for the period from 1 January 2017 to 31 March 2017.

Price Range and Trading Volume of the Stapled Securities on the SGX-ST

The highest and lowest closing prices and the average daily volume of Stapled Securities traded on the SGX-ST for the 12 calendar months immediately preceding June 2017 and for the period commencing on 1 June 2017 to the Latest Practicable Date are as follows:

Month	Price Range (S\$ per Stapled Security)		Average Daily Volume Traded Stapled Securities (m)
	Highest	Lowest	
June 2016	1.450	1.380	1.334
July 2016	1.530	1.435	1.823
August 2016	1.480	1.380	1.744
September 2016	1.400	1.360	1.479
October 2016	1.400	1.325	1.875
November 2016	1.340	1.295	1.463
December 2016	1.345	1.300	1.024
January 2017	1.420	1.355	1.545
February 2017	1.430	1.375	1.237
March 2017	1.435	1.350	0.927
April 2017	1.550	1.445	1.314
May 2017	1.625	1.530	1.464
1 June 2017 to the Latest Practicable Date	1.680	1.590	2.333

Source: Bloomberg L.P. has not provided its consent, for purposes of Section 249 of the SFA (read with Sections 302 and 305B of the SFA) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 of the SFA (both read with Sections 302 and 305B of the SFA) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by Bloomberg L.P. is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

Indebtedness

Existing Borrowings

As at the Latest Practicable Date, CDLHT has total facilities of approximately S\$2,392.7 million (collectively, the “**Facilities**”) comprising:

- (i) a five-year JPY-denominated bond of JPY3.1 billion issued by H-REIT’s indirectly owned subsidiary, CDLHT Hanei Tokutei Mokuteki Kaisha. CDLHT’s interest in the 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;
- (ii) a five-year fixed-rate term loan facility of ¥3.3 billion;
- (iii) a S\$1.0 billion Multi-currency Medium Term Note Programme;
- (iv) an uncommitted multi-currency unsecured bridge loan facility of S\$300.0 million;

- (v) a S\$250.0 million committed bilateral multi-currency unsecured revolving credit facility from two banks (comprising S\$150.0 million for a three-year term and another S\$100.0 million for a 3.25-year term) (the “**Revolving Credit Facility**”);
- (vi) a five-year fixed-rate term loan facility of S\$70.0 million;
- (vii) a five-year floating-rate term loan facility of S\$83.6 million;
- (viii) a five-year fixed-rate term loan facility of US\$75.0 million;
- (ix) a five-year fixed-rate term loan facility of US\$65.0 million;
- (x) a five-year fixed-rate term loan facility of A\$93.2 million;
- (xi) a five-year floating-rate term loan facility of £66.5 million; and
- (xii) an uncommitted multi-currency unsecured bridge loan facility of S\$200.0 million.

Approximately S\$1,025.7 million of the Facilities were utilised as at the Latest Practicable Date.

The Facilities are unsecured. In relation to the TMK bond, 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.

As at the Latest Practicable Date, the weighted average cost of debt of CDLHT is approximately 2.3% per annum.

USE OF PROCEEDS

OFFER PROCEEDS AND USE OF PROCEEDS

The Rights Issue is intended to raise gross proceeds of approximately S\$255.4 million, with the net proceeds of the Rights Issue, being the gross proceeds of the Rights Issue less the estimated amount of underwriting and selling commissions as well as other fees and expenses (including professional fees and expenses) incurred in connection with the Rights Issue, estimated to be approximately S\$251.0 million.

For each dollar of the gross proceeds of approximately S\$255.4 million that will be raised from the Rights Issue, the Managers intend to allocate the proceeds from the Rights Issue in the following manner:

- (i) approximately 97.9 cents (equivalent to approximately S\$250.0 million) will be used to partially repay CDLHT's existing borrowings¹;
- (ii) approximately 1.7 cents (equivalent to approximately S\$4.4 million) will be used to pay for the total costs and expenses relating to the Rights Issue; and
- (iii) approximately 0.4 cents (equivalent to approximately S\$1.0 million) will be used for working capital and capital expenditure purposes.

Notwithstanding their current intention, the Managers may, subject to relevant laws and regulations, use the net proceeds from the Rights Issue at their absolute discretion for other purposes, including funding other acquisitions.

Pending deployment of the net proceeds from the Rights Issue, the net proceeds may be deposited with banks and/or financial institutions, or used for any other purpose on a short-term or interim basis as the Managers may, in their absolute discretion, deem fit.

The Managers will make periodic announcements on the utilisation of the proceeds of the Rights Issue via SGXNET as and when such funds are materially utilised and provide a status report on the use of the proceeds from the Rights Issue in the annual reports of CDLHT. Where there is any material deviation from the stated use of proceeds, the Managers will announce the reasons for such deviation.

Costs of the Rights Issue

CDLHT will have to bear the following costs and expenses in relation to the Rights Issue:

- (i) underwriting and selling commission and related expenses of approximately S\$2.4 million (excluding goods and services tax ("GST") payable) which the Managers will pay to the Lead Manager and Underwriter upon completion of the Rights Issue together with any GST payable thereon; and
- (ii) professional and other fees and expenses of S\$2.0 million (excluding GST payable) in connection with the Rights Issue.

¹ The existing borrowings to be partially repaid shall not include the loan facilities drawn down and to be drawn down to finance the Acquisitions.

ADDITIONAL DETAILS ON THE USE OF PROCEEDS

The following sets out additional details on the use of proceeds if such proceeds are used to (i) acquire or refinance the acquisition of an asset (other than in the ordinary course of business), (ii) acquire or refinance the acquisition of a business and (iii) discharge, reduce or retire the indebtedness of CDLHT.

Acquisition or Refinancing the Acquisition of an Asset (other than in the Ordinary Course of Business)

None of the proceeds from the Rights Issue will be used to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

Acquisition or Refinancing the Acquisition of a Business

None of the proceeds from the Rights Issue will be used to finance or refinance the acquisition of a business.

Discharge, Reduction or Retirement of the Indebtedness of CDLHT

The actual indebtedness which would be reduced by the Managers out of the proceeds of the Rights Issue and the order of repayment of the facilities set out in the table below would depend on, among other things, the outcome of the Managers' negotiations with the relevant lenders, the prevailing economic environment and exchange rates at the relevant time as well as the requirements of CDLHT.

Each of such repayment would be announced by the Managers on SGXNET. The details of the indebtedness of CDLHT which the Managers may reduce in full or in part with the net proceeds from the Rights Issue (including the details of the maturity of such indebtedness and, in relation to indebtedness which CDLHT has incurred over the past 12 months, the uses to which the proceeds giving rise to such indebtedness were put) are set out in the table below.

Indebtedness which may be reduced	Usage	Amount Outstanding as at the Latest Practicable Date	Maturity Date(s)
A\$93.2 million term loan facility	Not applicable ⁽¹⁾	S\$98.1 million	29 December 2020
S\$83.6 million term loan facility	To re-finance borrowings incurred to fund the acquisition of the Studio M Hotel	S\$83.6 million	12 August 2021
Revolving Credit Facility	Not applicable ⁽¹⁾	S\$100.0 million	15 December 2018
US\$75.0 million term loan facility	Not applicable ⁽¹⁾	S\$103.9 million	17 October 2018
US\$65.0 million term loan facility	Not applicable ⁽¹⁾	S\$90.1 million	10 December 2019
Approximately S\$250.0 million may be used to repay any or a combination of the above indebtedness.			

Note:

(1) The indebtedness was not incurred by CDLHT over the past 12 months.

WORKING CAPITAL

The Directors are of the view that, in their reasonable opinion, after taking into consideration CDLHT's internal resources and its available loan facilities, the working capital available to the Managers, as at the date of lodgement of this Offer Information Statement, is sufficient to meet CDLHT's present requirements.

COMMISSION

The following sets out details of the commission payable to the Lead Manager and Underwriter.

Commission payable to the Lead Manager and Underwriter

Pursuant to the Management and Underwriting Agreement, the Lead Manager and Underwriter will be entitled to an underwriting commission of 1.5% of the Issue Price multiplied by the total number of Rights Stapled Securities less the number of Rights Stapled Securities subscribed for pursuant to the Sponsor Undertaking.

INFORMATION RELATING TO THE ACQUISITIONS

ACQUISITION OF THE LOWRY HOTEL

Description of The Lowry Hotel

The Lowry Hotel is a purpose-built 5-star luxury hotel located in Manchester, UK. It is located in proximity to the heart of Manchester city centre, and approximately 16.0 km from Manchester Airport. It is also close to top office developments such as Spinningfields, prominent retail establishments such as Arndale Shopping Centre, one of the busiest retail malls in UK, and entertainment hubs such as Royal Theatre Exchange, the Manchester Opera House and the Manchester Arena.

The Lowry Hotel commenced operations in 2001 and offers a total of 165 rooms. In 2015 and 2016, refurbishment was implemented for the guest rooms, public areas, hotel spa and six luxurious suites. Additional facilities owned by The Lowry Hotel include food and beverage (“**F&B**”) facilities, a total of 908.5 sq m meeting space consisting of one Grand Ballroom and eight meeting rooms, as well as spa and gym facilities.

The Lowry Hotel sits on long leasehold land, with a 150-year lease granted by Chapel Wharf Limited commencing on 18 March 1997 and later by Acroy Limited as varied by a deed of variation dated 15 November 2016. As at 4 May 2017, there is approximately 130 years left on the lease.

The Acquisition Structure of The Lowry Hotel

On 4 May 2017, CDL HBT North Ltd, an indirect wholly-owned subsidiary of the HBT Trustee-Manager, had entered into a share purchase agreement with the UK Vendor for the acquisition of the 100.0% of the issued share capital of the UK HotelCo (which holds The Lowry Hotel). The acquisition was also completed on 4 May 2017.

Purchase Consideration and Valuation

The purchase consideration for the acquisition of The Lowry Hotel was approximately £52.9 million (approximately S\$94.7 million), comprising the UK Property Consideration of £52.5 million (approximately S\$94.1 million) and payment of approximately £0.4 million (approximately S\$0.7 million) based on the estimated net working capital and cash of the UK HotelCo, as at the time of completion.

The UK Property Consideration was arrived at on a willing-buyer and willing-seller basis following a tender exercise conducted by the UK Vendor, and taking into account the independent valuation of The Lowry Hotel of £52.5 million (approximately S\$94.1 million) by Knight Frank as at 28 April 2017.

The entire purchase consideration is fully satisfied by payment by way of transfer of funds for same-day value to the UK Vendor’s solicitors’ account and is subject to post-completion adjustments¹.

¹ The purchase consideration will be subject to post-completion adjustments based on payment of outstanding debt of the UK HotelCo owed to the UK Vendor, the actual net working capital and cash of the UK HotelCo as at completion.

Estimated Total Acquisition Cost

The current estimated total cost of the acquisition of The Lowry Hotel is approximately £53.8 million (approximately S\$96.4 million), comprising:

- (i) the UK Property Consideration of £52.5 million (approximately S\$94.1 million);
- (ii) estimated net working capital and cash of the UK HotelCo as at the time of completion of approximately £0.4 million (approximately S\$0.7 million) subject to post-completion adjustments;
- (iii) the HBT Trustee-Manager's acquisition fee in respect of the acquisition under the HBT Trust Deed (as defined herein) which amounts to £0.05 million (approximately S\$0.09 million);
- (iv) stamp duty amounting to £0.2 million (approximately S\$0.3 million); and
- (v) the estimated professional fees and expenses incurred by HBT in connection with the acquisition, which amount to approximately £0.7 million (approximately S\$1.2 million).

Method of Financing

The total acquisition cost of The Lowry Hotel was initially fully funded by 100.0% offshore GBP-denominated debt financing through a fresh multi-currency bridge loan facility directly drawn down by HBT. In April 2017, HBT secured a S\$200.0 million uncommitted multi-currency unsecured loan facility with a bank. The facility can be drawn down in multiple tranches with a repayment period of a maximum of one year, from each drawn down date per tranche.

Depending on market conditions, HBT's loan could be refinanced by a term loan or other means, as may be determined by the Managers.

ACQUISITION OF AN INTEREST IN PULLMAN HOTEL MUNICH

Description of Pullman Hotel Munich

The Germany Property comprises Pullman Hotel Munich (also known as the Germany Hotel), the Commercial Components and the FF&E.

The Germany Property is a mixed-use complex on two freehold land plots located in Munich, Germany, consisting predominantly of a purpose-built hotel with a 4-star rating, as well as secondary spaces currently let out to four retail and seven office tenants. It is strategically located adjacent to the commercial district of "Parkstadt Schwabing", which is home to a variety of national and international companies, including Amazon, GE Healthcare and the German headquarters of Fujitsu, Microsoft, IBM and Munich Re.

The Germany Property boasts convenient accessibility, with motorways connecting Munich to Berlin and Frankfurt within a two-minute drive away, and the Munich railway station and Munich International Airport being accessible within a 13-minute and 21-minute car drive, respectively. Travellers also have direct access to Munich International Airport via the Lufthansa Express Bus service, which stops diagonally opposite the Germany Property and runs at regular 15 minute intervals, offering ease of travel to the airport within 25 minutes. The Germany Property is also in proximity to many of Munich's popular tourist destinations including the English Garden, the BMW headquarters and Allianz Arena.

The Germany Hotel opened in 1986 as Renaissance Hotel, and underwent a full renovation and rebranding in 2012, following which it continued its operations under the “Pullman” brand. Between 2012 and 2016, a total of €17.6 million was invested towards renovation and refurbishment of the Germany Property, including a full renovation of its 337 guest rooms, F&B outlets, spa and lobby areas. Additional facilities owned by the Germany Hotel include F&B outlets such as a restaurant, bar and a beer garden terrace, a 400 sq m fitness and spa area, two conference rooms with more than 130 sq m of meeting space, as well as an underground parking garage with 150 spaces for the Germany Hotel and 48 spaces for the Commercial Components.

Upon completion, the Germany Hotel will continue to operate under the “Pullman” brand pursuant to its existing franchise agreement with AccorHotels. In addition, the Germany Hotel will continue to be leased and operated by EVENT Hotels, which will continue to hold 5.1% shareholding in the Target Companies.

The Acquisition Structure of Pullman Hotel Munich

On 27 June 2017, CDLHT Munich One Pte. Ltd., a wholly-owned subsidiary of the H-REIT Trustee, entered into a share purchase agreement with the German Vendor for the acquisition of (i) 94.9% of the issued share capital of NKS and (ii) 94.9% of the issued share capital of FurnitureCo, where it shall acquire an effective interest of 94.5%¹ in the Germany Property.

The Germany Hotel is co-owned by NKS and Provent under a cooperation agreement, where NKS owns 99.51% of the Germany Hotel and 100.0% of the Commercial Components. FurnitureCo is the legal owner of the FF&E.

The acquisition is expected to be completed on or around 18 July 2017.

Purchase Consideration and Valuation

The purchase consideration for the acquisition is €100.6 million (approximately S\$156.3 million), comprising the Germany Property Consideration of €98.9 million (approximately S\$153.8 million) and the payment of approximately €1.7 million (approximately S\$2.6 million) based on the estimated net working capital and cash of each of the Target Companies as at the time of completion.

The Germany Property Consideration was arrived at on a willing-buyer and willing-seller basis following a tender exercise conducted by the German Vendor, and took into account the independent valuation of the market value of the Germany Property of €105.3 million (approximately S\$163.7 million) by CBRE in its valuation report dated 26 May 2017.

Estimated Total Acquisition Cost

The current estimated total cost of acquisition of the effective interest of 94.5% in the Germany Property is approximately €103.2 million (approximately S\$160.4 million), comprising:

- (i) the Germany Property Consideration pursuant to H-REIT’s interest in the Germany Property of €98.9 million (approximately S\$153.8 million);
- (ii) estimated net working capital and cash of the Target Companies as at the time of completion of approximately €1.7 million (approximately S\$2.6 million);

¹ CDLHT Munich One Pte. Ltd.’s effective interest of 94.5% in the Germany Property is computed based on (a) its 94.4% interest in the Germany Hotel (derived based on its 94.9% interest in NKS, which in turn owns 99.5% of the Germany Hotel (its 94.4% interest represents 85.9% of the property value)), (b) its 94.9% interest in the Commercial Components (which represent 9.5% of the property value) and (c) a 94.9% interest in the FF&E (which represents 4.6% of the property value). The German Vendor and Provent hold an effective interest of 5.1% and 0.4% respectively in the Germany Property.

- (iii) the H-REIT Manager's acquisition fee in respect of the acquisition under the H-REIT Trust Deed (as defined herein) which amounts to €1.0 million (approximately S\$1.6 million); and
- (iv) the estimated professional fees and other expenses incurred by H-REIT in connection with the acquisition, which amount to approximately €1.6 million (approximately S\$2.5 million).

Method of Financing

The total acquisition cost of the Germany Property will initially be fully-funded by 100.0% debt financing through H-REIT's loan facility. Depending on market conditions, H-REIT's loan could be refinanced by a term loan or other means, as may be determined by the Managers.

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

*This section should be read together with the selected financial data from the Financial Statements which are set out in **Appendix A**. Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are available on the website of CDLHT at <http://www.cdlht.com> and are also available for inspection during normal business hours at the registered office of the Managers at 36 Robinson Road, #04-01 City House, Singapore 068877, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement¹.*

The information contained in the website of CDLHT does not constitute part of this Offer Information Statement.

STATEMENTS OF TOTAL RETURN AND DISTRIBUTION STATEMENTS

Selected financial data from the 2014 Audited Financial Statements, the 2015 Audited Financial Statements, the 2016 Audited Financial Statements and the 1Q2017 Unaudited Financial Statements is set out in **Appendix A**. Financial data relating to (i) DPS, (ii) EPS, (iii) DPS after adjustment for the bonus element in the Rights Stapled Securities and (iv) EPS after adjustment for the bonus element in the Rights Stapled Securities, among others, are also set out in **Appendix A**.

Such selected financial data should be read together with the relevant notes to the Financial Statements where applicable.

STATEMENTS OF FINANCIAL POSITION AND STATEMENTS OF CASH FLOWS

Selected financial data from the 2016 Audited Financial Statements and the 1Q2017 Unaudited Financial Statements, including the line items in the statements of financial position, statements of cash flows of CDLHT and NAV per Stapled Security is also set out in **Appendix A**.

Such selected financial data should be read together with the relevant notes to the Financial Statements.

LIQUIDITY AND CAPITAL RESOURCES

Selected financial data from the 2016 Audited Financial Statements and the 1Q2017 Unaudited Financial Statements is set out in **Appendix A**. Such selected financial data and information should be read together with the relevant notes to the Financial Statements.

FY2016

The cash and cash equivalents of the Stapled Group were S\$82.2 million as at 31 December 2016 (FY2015: S\$72.0 million), recording an increase of S\$10.2 million.

The net cash generated from the Stapled Group's operating activities in FY2016 was S\$133.5 million (FY2015: S\$131.2 million), attributed to the additional contribution from Hilton Cambridge City Centre (acquired on 1 October 2015) and Grand Millennium Auckland after its revised lease structure (with more significant variable rent component) that mitigated the weaker trading performance from the Singapore and Maldives assets.

¹ Prior appointment with the Managers will be appreciated.

The net cash used in the Stapled Group's investing activities in FY2016 was S\$18.1 million (FY2015: S\$151.0 million). The higher net cash outflow in FY2015 was mainly attributed to the payment of S\$133.6 million for the acquisition of Hilton Cambridge City Centre and its related acquisition costs.

The net cash used in the Stapled Group's financing activities in FY2016 was S\$104.6 million, whereas in FY2015 the net cash generated from the Stapled Group's financing activities was S\$13.5 million, arising from borrowings secured to fund the acquisition of Hilton Cambridge City Centre.

1Q2017

The cash and cash equivalents of the Stapled Group were S\$57.7 million as at 31 March 2017.

During 1Q2017, the net cash generated from the operations was approximately S\$40.2 million.

The net cash used in investing activities was approximately S\$2.8 million in which cash used for capital expenditure on investment properties was S\$2.4 million.

Net cash used in financing activities was approximately S\$61.1 million, attributable to distribution to Stapled Securityholders of S\$55.1 million and a partial loan repayment of S\$1.6 million.

FINANCIAL REVIEW

The following sets out the management's discussion and analysis on significant factors, including any unusual or infrequent event or new development, which materially affected amount available for distribution to Stapled Securityholders after tax, including significant components of revenue or expenditure relating to distribution to Stapled Securityholders after tax for the financial periods referred to below.

Management's Discussion and Analysis of Financial Condition and Results of Operations

FY2014

For FY2014, the Stapled Group achieved a gross revenue of S\$166.8 million, S\$18.0 million or 12.1% higher than the year before, primarily due to a revenue boost from its Maldives Resorts¹. This was further bolstered by an additional S\$1.9 million rental boost from Angsana Velavaru due to the recognition of a full year's rental contribution of S\$11.9 million (inclusive of variable rent of S\$4.3 million) in 2014 as compared to only 11 months in 2013.

Net property income² (after operating expenses and the portfolio's property tax and insurance expenses) for FY2014 increased to S\$140.5 million, S\$3.1 million or 2.3% higher than FY2013.

The Stapled Group also revalued its investment properties as at 31 December 2014 and recorded a net fair value gain of S\$17.6 million. This has no impact on the Stapled Securityholders distribution.

The total income available for distribution (before deducting income retained for working capital) for FY2014 increased by 0.8% year-on-year to S\$119.5 million. Correspondingly, the income to be distributed per Stapled Security (after deducting the income retained for working capital) for FY2014 was 10.98 cents, compared to 10.97 cents in FY2013.

1 "Maldives Resorts" refer to Angsana Velavaru and Jumeirah Dhevanafushi.

2 Net property income is derived after deducting operating expenses of Jumeirah Dhevanafushi and the portfolio's property tax and insurance expenses.

FY2015

For FY2015, CDLHT achieved a gross revenue of S\$172.4 million, S\$5.6 million or 3.4% higher than FY2014. The increase was primarily due to the recognition of a full year's hotel revenue (inclusive of the 13-day revenue from December 2014) from its Japan Hotels, which contributed S\$9.7 million as well as an additional new contribution of S\$6.1 million from Hilton Cambridge City Centre (acquired in October 2015). Excluding the contribution from its Japan and UK properties, CDLHT's FY2015 gross revenue from its remaining properties was S\$156.6 million, a S\$10.2 million or 6.1% decline as compared to FY2014. This was mainly due to reduced contribution from its Singapore Hotels by S\$7.6 million and Maldives Resorts by S\$3.1 million (mainly due to lower full year variable rent from Angsana Velavaru, which was S\$2.0 million in FY2015 as compared to S\$4.3 million in FY2014). The fixed rent contribution from the Australia and New Zealand hotels was also lower by S\$1.6 million and S\$0.6 million respectively due to the adverse currency movements from the weakened AUD and NZD against the SGD. These declines were partially mitigated by a higher rental boost of S\$2.6 million year-on-year from Claymore Connect, which officially opened on 8 October 2015.

Net property income¹ decreased by S\$3.5 million or 2.5% to S\$137.0 million for FY2015. Included in CDLHT's net income is a depreciation expense of S\$2.6 million arising from the Japan and UK hotels, which was absent the previous year. Net finance costs for FY2015 increased by S\$5.9 million to S\$22.3 million, mainly the result of higher interest expense of S\$4.4 million over FY2014. The higher interest expense was mainly due to additional borrowings drawn to finance Japan Hotels and Hilton Cambridge City Centre acquisitions, Claymore Connect asset enhancement works as well as the conversion of some of its US and Singapore dollar borrowings into longer tenor five-year fixed-rate term loans.

CDLHT revalued its investment properties as at 31 December 2015 and recorded a net fair value loss of S\$30.2 million for FY2015. The fair value loss mainly arose from its Singapore, Australia and Maldives properties (offset by a fair value gain on its New Zealand property) but has no impact on the Stapled Securityholders distribution.

Overall, the income available for distribution (before deducting income retained for working capital) of S\$108.9 million for FY2015 was S\$10.6 million or 8.8% lower year-on-year. After retaining S\$10.9 million for working capital, the income to be distributed to Stapled Securityholders (after retention) was S\$98.1 million in FY2015. In addition, there was also a capital distribution of S\$1.1 million received from its Japan assets during the reporting period. This augmented the total distribution (after retention and capital distribution) to S\$99.2 million for FY2015. Correspondingly, the total distribution per Stapled Security (after retention and capital distribution) was 10.06 cents in FY2015, as compared to 10.98 cents in FY2014.

FY2016

CDLHT registered gross revenue of S\$180.9 million for FY2016, S\$8.5 million or 4.9% higher than FY2015. The growth was largely attributed to the inorganic contribution of S\$15.3 million from Hilton Cambridge City Centre (which was acquired on 1 October 2015) and an incremental income boost of S\$1.7 million from Claymore Connect. The improvement in Claymore Connect's performance was largely attributed to the recognition of full year's rental revenue during the year (in 2015, Claymore Connect was undergoing a refurbishment and only officially opened on 8 October 2015). The revenue contributions from Grand Millennium Auckland in FY2016 rose by S\$3.6 million year-on-year (largely from the higher proportion of variable income recognised due to the revised lease structure) and the Japan Hotels also increased its revenue by S\$0.8 million year-on-year. These improvements mitigated the weaker trading performance from the Singapore Hotels and Maldives Resorts, which declined by S\$7.6 million and S\$4.6 million year-on-year

¹ Net property income is derived after deducting operating expenses of Jumeirah Dhevanafushi, the Japan Hotels and Hilton Cambridge City Centre and the portfolio's property tax and insurance expenses.

respectively, due to the soft trading conditions in these markets. The weaker performance in the Maldives was partially due to the absence of variable rent from Angsana Velavaru in FY2016 (FY2015: S\$2.0 million). In addition, the Australia Hotels¹ recorded a lower rent contribution by S\$0.8 million, mainly due to the local currency's weakness against SGD and the recognition of a smaller variable income of S\$0.4 million for FY2016 compared to S\$1.1 million recognised the year before.

Net property income² (after operating expenses and the portfolio's property tax and insurance expenses) for FY2016 of S\$137.6 million was slightly higher by S\$0.6 million or 0.4% year-on-year. Net finance costs for FY2016 was S\$10.6 million higher than FY2015, primarily due to net foreign exchange losses of S\$8.6 million arising from the foreign currency movements of certain loans against SGD, which is required to be expensed off due to the discontinuation of hedge accounting for such loans in accordance with FRS 39 Financial Instruments: Recognition and Measurement. These foreign exchange movements do not have any impact on the distribution of CDLHT. In addition, the interest expense in FY2016 was also higher by S\$1.3 million due to the recognition of a full year's interest (as compared to only three months in 2015) arising from borrowings to finance the acquisition of Hilton Cambridge City Centre (acquired on 1 October 2015).

For FY2016, CDLHT revalued its investment properties as at 31 December 2016 and recorded a net fair value loss of S\$21.6 million in the statement of total return. The fair value loss (in SGD terms) arose from its Singapore and Maldives properties (offset by a fair value gain on its New Zealand and Australia properties). In addition, there was also an impairment loss of S\$8.1 million recognised on Jumeirah Dhevanafushi. Both the revaluation and impairment loss do not have any impact on Stapled Securityholders distribution.

Overall, the total income available for distribution (before deducting income retained for working capital) of S\$105.5 million, was S\$3.4 million or 3.1% lower year-on-year. Additionally, there was also a capital distribution of S\$4.1 million received from its Japan assets in FY2016 (FY2015: S\$1.1 million), which included a one-off consumption tax refund of S\$2.5 million (JPY205.0 million) relating to the Japan Hotels acquisition. This augmented the total distribution (after retention and capital distribution) to S\$99.1 million for FY2016, which was maintained at the same level as FY2015. Correspondingly, the total DPS (after retention and capital distribution) was 10.00 cents for FY2016, as compared to 10.06 cents in FY2015.

Interim Financial Period from 1 January 2017 to 31 March 2017

CDLHT's gross revenue for 1Q2017 was S\$46.4 million, S\$1.7 million or 3.9% higher than the corresponding period last year. The underlying performance of the portfolio improved primarily due to higher incremental contribution of S\$2.6 million from Grand Millennium Auckland, which benefitted from Auckland's flourishing tourism scene and the change from a largely fixed rent structure to a lease structure with more significant variable rent component. The improved performance was further augmented by a S\$0.2 million incremental contribution from its retail mall, Claymore Connect. The occurrence of one less operating day arising from the leap year in 2016 compromised overall income growth comparisons for 2017.

1 "Australia Hotels" refer to Novotel Brisbane, Mercure Brisbane, Ibis Brisbane, Mercure Perth and Ibis Perth.

2 Net property income is derived after deducting operating expenses of Jumeirah Dhevanafushi, the Japan Hotels and Hilton Cambridge City Centre and the portfolio's property tax and insurance expenses.

These improvements were however dampened by lower revenue from its Singapore and Japan properties and Jumeirah Dhevanafushi, which contributed to a collective year-on-year decline of S\$0.9 million. In addition to the absence of variable income from the Australia Hotels, contribution from Hilton Cambridge City Centre was lower in SGD terms, due to the weakened GBP.

In aggregate, CDLHT's net property income increased by S\$2.2 million or 6.4% to S\$35.9 million for 1Q2017. The Stapled Group's net finance costs for 1Q2017 was higher than the corresponding period last year, primarily due to an increase in foreign exchange losses of S\$5.0 million year-on-year. This was largely attributed to foreign exchange loss arising from the repayment of the NZD denominated intercompany loan, which does not impact the distributable income of CDLHT.

Overall, total distribution to Stapled Securityholders (before retention for working capital) for 1Q2017, increased 10.0% year-on-year to S\$26.8 million. Accordingly, DPS for 1Q2017 was 2.42 cents, 9.0% higher than 1Q2016.

Working Capital

CDLHT's internal resources and its available loan facilities have been sufficient for its working capital requirements for FY2014, FY2015, FY2016 and 1Q2017.

BUSINESS PROSPECTS AND TREND INFORMATION

Business and Financial Prospects of CDLHT

The Rights issue will reduce CDLHT's gearing of 36.8% as at 31 March 2017 to 33.6% after repayment of certain borrowings, thereby enhancing CDLHT's financial flexibility and increasing its regulatory debt headroom. In addition, CDLHT's average cost of debt will be lowered with improved interest cover ratio, after the repayment of certain borrowings. The strengthened balance sheet and improved credit profile will enable CDLHT to negotiate and secure debt facilities at potentially more competitive terms.

The Managers believes that the reduction in CDLHT's gearing would place CDLHT in a stronger position with greater financial flexibility and ample debt headroom to pursue future growth opportunities by capitalising on acquisition opportunities and uplifting its competitive positioning in the market through various asset enhancement plans.

To optimise risk-adjusted returns to Stapled Securityholders, CDLHT endeavours to balance an appropriate mix of debt and equity in financing acquisitions and adopts proactive interest rate management strategies by maintaining a higher percentage of fixed rate borrowings and through the use of interest rate swaps, where appropriate.

The Managers will continue to refurbish the Existing Portfolio (where necessary) to enhance guest experience and maximise returns to Stapled Securityholders. To optimise returns to Stapled Securityholders, the Managers have adopted a multi-pronged strategy of unlocking the value of assets which have reached their optimal stage of life cycle, continuous proactive efforts to enhance the real estate value of assets and deploying capital efficiently to acquire good quality assets through seizing market opportunities from both the Sponsor and third parties. The Managers continue to remain committed to diversifying the portfolio and seek to pursue acquisition opportunities across different geographies.

In line with their strategy to reconstitute and improve the quality of CDLHT's portfolio, capital recycling may be implemented through divestment opportunities for one or more of CDLHT's properties that have reached the optimal stage in the property cycle or if suitable offers were to be made.

Significant Trends and Conditions of the Market

Singapore Tourism Board ("STB") has forecast 16.4 million to 16.7 million visitor arrivals in 2017, representing 0% to 2.0% year-on-year growth¹, which implies a slowdown from the 7.7% year-on-year visitor arrivals growth observed in 2016. In the first four months of 2017, visitor arrivals increased 4.4% year-on-year to 5.8 million while total visitor days grew 2.6% year-on-year². The growth in visitor arrivals was mainly due to an increase in Chinese arrivals, Singapore's top source market, and nine out of the top ten source markets recorded growth.

Looking ahead, Singapore's growth in 2017 is expected to remain modest amidst geopolitical risks and economic uncertainty, as well as moderating growth in China³. The hospitality sector in Singapore is expected to continue experiencing competitive trading conditions with the net supply for Singapore hotel inventory estimated to increase by 3,767⁴ rooms in 2017, representing approximately 5.9% of existing room stock.

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- 1 Source: STB's press release titled "Singapore Achieves Record Tourism Sector Performance in 2016" dated 14 February 2017, available at the website of STB at www.stb.gov.sg. STB has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by STB is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.
 - 2 Source: STB's hotel statistics posted on 21 June 2017, available at the website of STB at www.stb.gov.sg. STB has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by STB is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.
 - 3 Source: The Ministry of Trade and Industry's ("MTI") press release titled "MTI Maintains 2017 GDP Growth Forecast at "1.0 to 3.0 Per Cent"" dated 17 February 2017, available at the website of MTI at www.mti.gov.sg. MTI has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by MTI is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.
 - 4 Source: data compiled by Horwath HTL as of January 2017. Horwath HLT has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by Horwath HLT is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

To boost growth in the tourism industry, the Singapore government together with other ASEAN leaders launched the Visit ASEAN@50 Golden Celebration tourism campaign, with an aim to increase international arrivals to the region by 10.0% to 121.0 million¹. STB continues to position Singapore as a leading MICE destination, where Singapore has recently signed a partnership to be the designated Southeast Asia host for the International Champions Cup for the next four years, which will feature world renowned football clubs such as Bayern Munich, Chelsea and Inter Milan² in this year's tournament. A S\$34.0 million joint investment was also recently announced by STB, Singapore Airlines and Changi Airport Group to strengthen Singapore's destination appeal and woo business and MICE visitors³.

In Australia, the outlook for the natural resource sector remains subdued over the short to medium term. Coupled with the increase in new hotel room supply in Perth and Brisbane, the trading performance of the hospitality sector will likely remain challenging. However, any weakness in the performance of the Australia Hotels is mitigated by the defensive lease structure which provides CDLHT with largely fixed rent.

In New Zealand, the tourism sector continues to enjoy robust growth, reflected by the 11.8% year-on-year growth in visitor arrivals for 2016 to a record high of 3.5 million. In the first four months of 2017, visitor arrivals increased 7.5% year-on-year to 1.4 million⁴. The increase in new international air services, a strong events calendar and the safe haven appeal of New Zealand are likely to support the growth momentum of the hospitality market in the medium term. Grand Millennium Auckland's variable lease structure allows CDLHT to benefit strongly from the buoyant Auckland hospitality market. In addition, increase in supply of new hotel rooms in Auckland remains limited in the near term.

1 Source: news report titled "ASEAN can work together to increase tourism numbers, says PM Lee" dated 18 January 2017 published by Channel NewsAsia, available at the website of Channel NewsAsia at www.channelnewsasia.com. Channel NewsAsia has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by Channel NewsAsia is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

2 Source: news report titled "Singapore to host International Champions Cup for next 4 years" dated 16 March 2017 published by Channel NewsAsia, available at the website of Channel NewsAsia at www.channelnewsasia.com. Channel NewsAsia has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by Channel NewsAsia is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

3 Source: STB's press release titled "\$34m three-year tripartite partnership to strengthen Singapore's destination appeal and drive visitor traffic" dated 17 April 2017, available at the website of STB at www.stb.gov.sg. STB has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by STB is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

4 Source: international visitor arrivals key data tables published by the New Zealand Ministry of Business, Innovation & Employment ("MBIE"), available at www.mbie.govt.nz. MBIE has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by MBIE is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

In Japan, visitor arrivals increased 17.3% to 11.4 million for the first five months of 2017¹. The continued strength of the JPY may weigh on the performance of Japan Hotels. The long-term outlook for the hospitality sector in Japan is positive with the government's growth target of 40.0 million foreign visitors by 2020², in conjunction with the 2020 Tokyo Olympics. This is also supported by the Japanese government's approval of the integrated resorts. In addition, the Japanese government continues to introduce favourable initiatives such as a recent announcement to further relax visa requirements for Chinese tourists from May 2017, in particular, issuance of multiple-entry visas to applicants who are currently only eligible for single-entry visas³.

The near term outlook for the Maldives hospitality market continues to be challenging, given the relative strength of the USD against currencies of some of the top source markets, which has the effect of eroding the spending power of guests from these markets as rates are priced in US dollars, as well as increase in new rooms supply. The slowdown in luxury spending and moderating growth in China, may also continue to affect the performance of the Maldives Resorts.

In UK, international arrivals are expected to grow by 4.0% in 2017⁴. However, the economic uncertainty with the commencement of the formal EU exit negotiations from March 2017 may affect corporate demand, although this may be partially mitigated by stronger international and domestic leisure travel given the relatively weaker GBP. Emerging new rooms supply in 2017 may also have an impact on performance.

CDLHT will continue to pursue suitable acquisitions to diversify and augment its income streams.

(See the section entitled "Risk Factors" for a discussion of certain factors to be considered in connection with an investment in the Rights Staped Securities and the Rights Entitlements.)

- 1 Source: tourism statistics published by Japan National Tourism Organization ("**JNTO**"), available at www.jnto.go.jp. JNTO has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by JNTO is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.
- 2 Source: news report titled "Japan prepares for mass influx of tourists" dated 11 January 2017 published by Nikkei Asian Review, available at the website of Nikkei Asian Review at <http://asia.nikkei.com>. Nikkei Asian Review has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by Nikkei Asian Review is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.
- 3 Source: press release by the Ministry of Foreign Affairs of Japan ("**MOFJ**") titled "Relaxation of Visa Requirements for Chinese Citizens" dated 21 April 2017, available at the website of MOFJ at www.mofa.go.jp. MOFJ has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by MOFJ is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.
- 4 Source: news report titled "2017 could be 'record year' for inbound tourism" dated 30 December 2016 published by TTG, available at the website of TTG at www.ttgmedia.com. TTG has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) and Sections 282I and 282ZB of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) and Sections 282N and 282O of the SFA. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by TTG is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Managers, the Lead Manager and Underwriter or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

PRO FORMA FINANCIAL INFORMATION

Pro Forma Financial Effects of the Transactions

FOR ILLUSTRATIVE PURPOSE ONLY: The pro forma financial effects of the Acquisitions and the Rights Issue (collectively, the “**Transactions**”) on the DPS and NAV per Stapled Security, and the capitalisation presented below are strictly for illustrative purposes and were prepared based on the 2016 Audited Financial Statements and the following assumptions:

- (i) the Acquisitions will be fully funded by debt financing and the proceeds of the Rights Issue will not be used to repay the loan facilities drawn down and to be drawn down to finance the Acquisitions;
- (ii) 199,545,741 Rights Stapled Securities are issued at an Issue Price of S\$1.280 per Rights Stapled Security;
- (iii) approximately S\$250.0 million of the gross proceeds from the Rights Issue will be used to repay the existing borrowings;
- (iv) approximately S\$4.4 million of the gross proceeds from the Rights Issue will be used to pay for the total costs and expenses relating to the Rights Issue;
- (v) approximately S\$1.0 million of the gross proceeds from the Rights Issue will be used for working capital and capital expenditure purposes; and
- (vi) the acquisition fee payable to the Managers for the Acquisitions will be settled wholly in cash.

The pro forma financial effects are for **illustrative purposes only** and do not represent CDLHT’s DPS and NAV per Stapled Security following the completion of the Transactions.

Pro Forma DPS

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Transactions on the DPS for FY2016, as if the Transactions were completed on 1 January 2016, and CDLHT had held The Lowry Hotel and the effective interest of 94.5% in Pullman Hotel Munich are as follows:

	Pro Forma Financial Effects for FY2016	
	FY2016 Audited Financial Statements	After the Transactions
Amount available for distribution ⁽¹⁾ (S\$’000)	109,677	124,028 ⁽²⁾
Stapled Securities entitled for distribution (’000)	992,696	1,192,476 ⁽³⁾
DPS (cents)	10.00	9.43
DPS yield (%)	5.95 ⁽⁴⁾	5.85 ⁽⁵⁾

Notes:

- (1) The distributable income of CDLHT (before deducting income retained for working capital) represents the aggregate of distributions by H-REIT and HBT.
- (2) Includes (i) pro forma income contribution from The Lowry Hotel and Pullman Hotel Munich, (ii) deduction of additional property expenses in connection with the Acquisitions for the period from 1 January 2016 to 31 December 2016, (iii) pro forma effects of the Rights Issue, as if it was completed on 1 January 2016.
- (3) Increase in the number of Stapled Securities entitled for distribution relates to the Rights Stapled Securities and the Stapled Securities issued and to be issued as partial satisfaction of the Managers’ management fees.
- (4) Based on the Stapled Securities’ closing market price of S\$1.680 as at 27 June 2017.
- (5) Based on TERP of S\$1.613 per Stapled Security.

Pro Forma NAV per Stapled Security

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Transactions on the NAV per Stapled Security as at 31 December 2016, as if the Transactions were completed on that date, are as follows:

	Pro Forma Financial Effects for FY2016	
	FY2016 Audited Financial Statements	After the Transactions
NAV attributable to Stapled Securityholders (S\$'000)	1,546,421	1,787,444
Stapled Securities in issue and to be issued ('000)	996,866	1,196,412 ⁽¹⁾
NAV per Stapled Security (S\$)	1.55	1.49

Note:

- (1) Based on the number of Stapled Securities in issue and to be issued as at 31 December 2016 and adjusted to include the Rights Stapled Securities.

Pro Forma Capitalisation

FOR ILLUSTRATIVE PURPOSES ONLY: the pro forma financial effects of the Transactions on the capitalisation of CDLHT as at 31 December 2016, as if the Transactions were completed on that date, are as follows:

(S\$'000)	Pro Forma Financial Effects for FY2016	
	FY2016 Audited Financial Statements	After the Transactions
Short-term debt:		
Secured	–	–
Unsecured	–	–
Total short-term debt	–	–
Long-term debt:		
Secured	38.3	108.6
Unsecured	894.4	835.1
Total long-term debt	932.6	943.7
Total Debt	932.6	943.7
Stapled Securityholders' funds	1,546.4	1,787.4
Non-controlling interests ⁽¹⁾	–	4.9
Total Capitalisation	2,479.0	2,736.0

Note:

- (1) Based on the 5.1% interest in the entities holding Pullman Hotel Munich, held by Event Hospitality Group B.V.. For further details pursuant to the acquisition of an interest in Pullman Hotel Munich, please refer to the announcement "Acquisition and Lease of Pullman Hotel Munich in Germany" dated 27 June 2017.

RISK FACTORS

The risks described below should be carefully considered before making an investment decision in relation to the Rights Entitlements, the Rights Stapled Securities or the Stapled Securities. The risks described below are not the only ones relevant to CDLHT, the Managers, the H-REIT Trustee, the Rights Entitlements, the Rights Stapled Securities or the Stapled Securities. These risk factors are not intended to be exhaustive and, in particular, are not intended to repeat the risk factors set out in the prospectus of CDLHT dated 10 July 2006 (the “Prospectus”) in connection with the listing of CDLHT on the Mainboard of the SGX-ST, certain of which may continue to be applicable to CDLHT. Details of the risk factors relating to the Existing Portfolio which continue to be applicable to CDLHT can be found in the Prospectus.

Additional risks not described below or not presently known to the Managers and/or the H-REIT Trustee or that it/they currently deem(s) immaterial may also impair the business operations of CDLHT. The business, financial condition or results of operations of CDLHT could be materially and adversely affected by any of these risks.

RISKS RELATING TO THE GLOBAL HOSPITALITY AND HOSPITALITY-RELATED INDUSTRIES

The financial performance of CDLHT is dependent on the conditions and outlook of the hospitality and hospitality-related industries in the countries in which CDLHT has assets and/or operates and/or in which CDLHT will have assets and/or operate.

The Existing Portfolio of CDLHT comprises assets which are located in Singapore, Australia, New Zealand, the Maldives, Japan and UK. Any deterioration in the general economic outlook of the hospitality and hospitality-related industries in the countries in which CDLHT has assets and/or operates and/or in which CDLHT will have assets and/or operate could affect the profitability of any future properties and may have a material adverse effect on the business, financial condition, results of operations and prospects of CDLHT, and consequently affect distributions from CDLHT to Stapled Securityholders.

The hospitality and hospitality-related industries are susceptible to cyclical and other factors outside the control of CDLHT and the Managers.

Both the hospitality and hospitality-related industries are cyclical and sensitive to external and economic changes. There are a number of factors which are common to the global hospitality and hospitality-related industries and are wholly or partly beyond the control of CDLHT and the Managers. These factors, which could affect the financial performance of CDLHT, include but are not limited to, the following (some of which are further elaborated upon and discussed below):

- the condition of, and changes in, the domestic, regional and global economies, including, but not limited to, factors such as the political landscape and stability (for instance, uncertainty in Europe as a result of UK initiating its exit from the European Union), environmental conditions, viral epidemics and outbreaks of communicable diseases that may result in reduced occupancy rates, room rates and consequently the revenue per available room (RevPAR) for the hospitality and hospitality-related assets of CDLHT;
- increased threat of terrorism, terrorist events, aviation-related strikes, hostilities between countries, increased risk of natural disasters and/or adverse weather conditions such as smog from forest fires that may affect travel patterns and reduce the number of business and commercial travellers and tourists, in general, in countries in which the hospitality and hospitality-related assets of CDLHT are or may be located in the future;

- disproportionate increase in new supply in the markets in which CDLHT operates, which could adversely impact the occupancy levels and revenue of the Existing Portfolio or future hospitality and/or hospitality-related assets of CDLHT;
- changes in CDLHT's relationships with, and the performance and reputation of the master lessees, the property managers and/or the hotel managers/operators and their respective employees;
- changes in government laws and regulations, fiscal policies, taxation acts (including but not limited to new tourism taxes such as bed tax) and zoning ordinances and the related costs of compliance with laws and regulations, fiscal policies, taxation and ordinances affecting CDLHT;
- the nature and length of a typical hotel guest's stay as hotel guests typically stay on a short-term basis and there is therefore no assurance of long-term occupancy for hotel rooms. Factors which may affect the above include:
 - seasonality patterns in tourism arrival numbers throughout the year;
 - decrease in longer-term business travel and corporate executives requiring mid-to long-term accommodation;
 - frequency of events or conferences in the surrounding vicinity of the properties in the Existing Portfolio or future hospitality or hospitality-related assets of CDLHT; and
 - slowdown in tourism, business and conferences where the Existing Portfolio is located, which may adversely affect the length of a traveller's stay;
- unexpected increases in transportation or fuel costs, strikes among workers in the transportation industry and adverse weather conditions that could affect travel;
- increases in operating costs due to inflation, labour costs (including the impact of unionisation, foreign worker immigration policies and minimum wage policies), workers' compensation and healthcare-related costs, maintenance costs, utility costs, insurance and unanticipated costs such as those resulting from acts of nature and their consequences;
- relations between CDLHT and service providers or lenders;
- difficulties in identifying hospitality and hospitality-related assets to acquire and difficulties in completing and integrating acquisitions;
- the time that it may take to construct, develop or complete the refurbishments of properties and receive registrable title to such properties and the ability to renovate the Existing Portfolio and future assets of CDLHT in order to preserve or expand demand for such assets;
- unfavourable publicity in relation to the Existing Portfolio and the reputation and standing of the service providers, including restaurants and other F&B outlets, located within the Existing Portfolio and/or future hotels and hospitality-related assets of CDLHT;
- loss of otherwise regular customers to newer or alternative hotels (or lodging types) for convenience, better services or lower room rates;
- dependence on business, commercial and leisure travel and tourism, which may fluctuate and tend to be seasonal and are subject to the adverse effects of national and international market conditions, all of which may affect the length of a traveller's stay;

- changes in the directors and executive officers of the Managers;
- changes in exchange rates that may adversely affect CDLHT's operating results, asset value, liabilities or ability to finance its operations (for instance changes in currency exchange rates may affect the attractiveness of a destination for international visitors);
- the provision of existing or planned amenities and transportation infrastructure near the Existing Portfolio and/or future hospitality and hospitality-related assets of CDLHT; and
- other matters not yet known to the Managers or not currently considered material by the Managers.

These factors could have adverse effects on CDLHT's business, financial condition, results of operations, prospects and ability to make distributions to Stapled Securityholders.

The hospitality industry is highly competitive and the performance of CDLHT may be affected by an increasing supply of hospitality assets in the countries in which CDLHT has assets and/or operates and/or in which CDLHT will have assets and/or operate.

The hospitality industry in Singapore, Australia, New Zealand, the Maldives, Japan, UK and Germany is highly competitive and the completion of new hotels or renovations of competing hotel properties may reduce the competitiveness of older or existing properties. Each of CDLHT's hotels experience competition primarily from other similarly positioned hotels in their immediate vicinity as well as from other hotels in their geographical market. The level of competition in Singapore, Australia, New Zealand, the Maldives, Japan, UK and Germany hospitality industries are affected by various factors, including changes in local, regional and global economic conditions, changes in local, regional and global populations, the supply and demand for hotel rooms and changes in patterns and preferences. The success of a hotel, in their respective geographical market, will largely depend on its ability to brand and compete in areas such as quality of accommodation, room rates, level of service and service experiences, brand recognition, convenience of location and the quality of lobby areas, F&B facilities and other amenities. Competing hotels may offer more facilities at their premises at similar or more competitive prices compared to the facilities offered at CDLHT's hotels. Competitors may also significantly lower their rates or offer greater convenience, services or amenities, to attract more guests. If these efforts by competitors are successful, the results of operations at CDLHT's hotels may be adversely affected. New supply of hotels, serviced residences or alternative accommodation options (for instance, new online platforms such as Airbnb allowing people to list, find, and rent lodging, including use of private homes) in Singapore, Australia, New Zealand, the Maldives, Japan, UK and Germany could adversely impact the occupancy rates and revenues of CDLHT's hotels or future hospitality and/or hospitality-related assets of CDLHT, which would in turn have adverse effects on CDLHT's financial condition, results of operations and ability to make distributions to Stapled Securityholders.

The hospitality industry is service-oriented and CDLHT may be adversely affected if it 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 CDLHT's hotels. The hospitality staff of CDLHT may also be poached by existing or new competitors in the market, which may have an adverse effect on the operations of CDLHT's hotels. In addition, changes in local and foreign labour laws and regulations (such as the introduction or rising of minimum wages) may impact the availability of hospitality staff and/or increase the operating costs of CDLHT's hotels. A shortage of manpower and compressed work procedures

may translate to lower service quality, which may in turn affect guests' lodging experience and result in existing customers preferring alternative accommodation from competitors of CDLHT's hotels.

Acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases, adverse weather conditions and other events beyond the control of CDLHT may adversely affect the financial performance of CDLHT.

CDLHT may be adversely affected by acts of God, wars, terrorist threats or attacks, riots, civil commotions, adverse weather conditions such as smog from forest fires, widespread infectious and/or communicable diseases and other events beyond the control of CDLHT. The Managers cannot predict the extent to which these factors will, directly or indirectly, impact distributions to Stapled Securityholders, the hospitality and hospitality-related industries or the operating results and overall financial performance of CDLHT in the future.

An increased threat of terrorism, terrorist events, airline strikes, hostilities between countries or natural disasters may affect travel patterns and reduce the number of business and commercial travellers and tourists, in general or in any countries in which the hospitality and hospitality-related assets of CDLHT are/may be located in the future.

The World Health Organisation and certain governments may issue travel advisories against non-essential travel to affected regions, or even impose travel restrictions. Security may be tightened to address increased terrorist threats but result in some loss in freedom of movement. Any such travel advisories or restrictions into, or the suspension of any transport infrastructure of, any country in which CDLHT has assets are likely to have a material adverse effect on the number of international visitor arrivals and therefore the corresponding demand for hospitality and hospitality-related assets in CDLHT's portfolio.

Accordingly, the occurrence of any such events may adversely affect the business of any hospitality properties in CDLHT's portfolio, which may in turn adversely affect CDLHT's financial condition, results of operations and ability to make distributions to Stapled Securityholders.

CDLHT's financial performance may be affected by changes in travel patterns resulting from increases in transportation or fuel costs, strikes among workers in the transportation industry, aviation disasters and adverse weather patterns.

Changes in travel patterns can be erratic. Moreover, the increase or decrease in flights due to commercial decisions by airlines and intra-government agreements and policies may adversely affect the revenue and gross operating profit of the hospitality and hospitality-related assets in CDLHT's portfolio, with a consequential impact on the revenue of CDLHT and the distributions to be made to Stapled Securityholders.

Increases in transportation or fuel costs, strikes among workers in the transportation industry, aviation disasters and adverse weather patterns may deter travellers and the financial performance of CDLHT may be adversely affected as a consequence. These travellers represent a crucial source of income for the hospitality and hospitality-related assets of CDLHT. Any sustained or material decline in traveller numbers may adversely affect CDLHT's financial condition, results of operations and ability to make distributions to Stapled Securityholders.

The hospitality business is a regulated business.

The operation of hospitality properties in Singapore, Australia, New Zealand, the Maldives, Japan, UK and Germany is subject to various laws and regulations, such as the Hotels Act, Chapter 127 of Singapore and the Innkeepers Act, Chapter 139 of Singapore, which hotels in Singapore are required to be licensed under. 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 of any of these licences, will have an adverse impact on the business and results of operations of CDLHT's hotels. Further, any changes in such laws and regulations, or the imposition of any new laws and regulations, may also have an impact on the businesses at CDLHT's hotels and result in higher compliance costs. In addition, any failure to comply with these 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 revenue and profits of the Existing Portfolio or otherwise adversely affect the operations of CDLHT's hotels and CDLHT's ability to make distributions to Stapled Securityholders.

The hospitality business is capital intensive, and CDLHT's growth may be affected if it is unable to obtain financing.

CDLHT's hotels will require periodic capital expenditure, refurbishments, renovation and improvements to remain competitive. Acquisitions or development of additional hotels will require significant capital expenditure. CDLHT may not be able to fund capital improvements or acquisitions solely from cash provided from its operating activities. CDLHT may not be able to obtain additional equity and/or debt nor be able to obtain such financing on favourable terms.

There could be business disruptions to CDLHT's hotels in the event of any asset enhancement exercise undertaken to refurbish or renovate the hotels.

CDLHT's hotels will need to be refurbished or renovated periodically so as to remain competitive or enhance (or re-position) their marketing position. During an asset enhancement exercise, the entire hotel (or parts of it) may have to be shut down, or there may be disruption to the hotel operations due to the dust and noise generated by the refurbishment and renovation activities, thereby leading to a decrease in occupancy and hence reducing the income available for CDLHT and subsequently distributions to the Stapled Securityholders. Due to the competitive nature of the hospitality industry, there is also no guarantee that such asset enhancement exercises will be successful in providing an incremental return to Stapled Securityholders.

RISKS RELATING TO CLAYMORE CONNECT

The loss of key tenants or a downturn in the businesses of the tenants in Claymore Connect could affect CDLHT's financial performance.

Claymore Connect is 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. Factors that affect the ability of shopping malls to attract or retain tenants include the attractiveness of the building and the surrounding areas to prospective tenants and their customers or clients and the quality of the building's existing tenants. The income from, and market value of, Claymore Connect will be largely dependent on its ability to compete against other shopping malls in Singapore in attracting and retaining tenants.

Claymore Connect faces competition from other retail properties and retail development projects in the Orchard Road area.

Competition for shopper traffic amongst shopping malls in the Orchard Road area is intense and Claymore Connect faces competition from a number of shopping malls in the Orchard Road area. Shopper traffic may be attracted to popular shopping malls in the main Orchard Road area, such as Ngee Ann City, Wisma Atria, The Paragon and Ion Orchard, which are all located close to each other. This could lure shopper traffic away from the vicinity of Claymore Connect, leading to a drop in demand for tenancy.

Whenever competing properties in the Orchard Road area are developed or substantially upgraded and refurbished, the attractiveness of Claymore Connect may be affected, which may adversely impact the rental rates and hence reduce its income. This may then result in lower distributions to Stapled Securityholders.

RISKS RELATING TO CDLHT'S OPERATIONS

The Sponsor is a controlling Stapled Securityholder, and will be able to exercise influence over certain activities of CDLHT.

The Sponsor, its subsidiaries, related corporations and associates 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, the Sponsor has in the aggregate, deemed interests in 368,949,703 Stapled Securities (constituting approximately 36.98% of the total number of Stapled Securities in issue as of the Latest Practicable Date).

The Sponsor will therefore be in a position to exercise influence in matters which require the approval of holders of H-REIT Units and holders of HBT Units by way of an Extraordinary Resolution, for example, the modification, alteration or addition to the provisions of the H-REIT Trust Deed or the HBT Trust Deed, or the removal of the H-REIT Manager or HBT Trustee-Manager.

There may be potential conflicts of interest between CDLHT, the H-REIT Manager, the HBT Trustee-Manager and the Sponsor as the H-REIT Manager and the HBT Trustee-Manager are indirect wholly-owned subsidiaries of the Sponsor.

The Sponsor may exercise influence over the activities of CDLHT through the H-REIT Manager and the HBT Trustee-Manager, which are indirect wholly owned subsidiaries of the Sponsor. As a result, the strategy and activities of CDLHT may be influenced by the overall interests of the Sponsor including acquisitions of properties and competition for clients. Moreover, the Sponsor may in the future, sponsor, manage or invest in other REITs or other vehicles which may also compete directly with CDLHT. There can be no assurance that conflicts of interest will not arise between CDLHT and the Sponsor in the future, or that CDLHT's interests will not be subordinated to those of the Sponsor, whether in relation to the future acquisition of additional properties or property-related investments or in relation to competition for tenants, in Singapore and elsewhere globally.

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 CDLHT.

H-REIT is dependent on rental payments from the master lessees as H-REIT cannot directly operate hospitality assets under Appendix 6 to the Code on Collective Investment Schemes (the "Property Funds Appendix"). The master lessees will contract with third party hotel managers to manage H-REIT's hospitality and hospitality-related assets which are under master leases (the

“Master Leased Hotels”). H-REIT’s revenue and ability to make distributions to holders of the Stapled Securities will depend solely upon the ability of the master lessees to make rental payments.

However, CDLHT’s financial condition, results of operations and ability to make distributions to holders of the Stapled Securities 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 CDLHT may be adversely affected by the bankruptcy, insolvency or downturn in the business of a master lessee.

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 the Master Leased Hotels, the performance of the managers of such hotels, competition in the hospitality industry, and other factors relating to the operations of the Master Leased Hotels.

There can be no assurance 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 agreement.

If a master lessee terminates or defaults on any master lease agreement or does not renew any master lease agreement on expiry, the financial performance, and consequently the distributions which CDLHT may be able to make to Stapled Securityholders, 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.

From time to time, there may also be a change in the master lessee and/or the branding of CDLHT’s hotels, which could result in a transition period where the performance of the relevant hotel may be affected.

The inability of the hotel managers of certain hotels in the Existing Portfolio to generate income could have an adverse effect on the business, financial condition, results of operations and prospects of CDLHT.

There are certain hotels in the Existing Portfolio which are managed by hotel management companies (whether external or wholly-owned by the HBT Trustee-Manager), unlike the rest of the properties which are leased to external master lessees by H-REIT. The hotel management companies will generate hotel revenue for these hotels, and CDLHT therefore relies on their ability to manage the hotels profitably and generate income for CDLHT.

The hotel management companies’ ability 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 the aforementioned hotels, competition in the hospitality industry or latent defects in the hotels which affect their ability to operate the hotels. If the hotel management companies are unable to manage the hotels profitably for CDLHT and fail to generate income, this may adversely affect the business, financial condition, results of operations and prospects of CDLHT and its ability to make distributions to Stapled Securityholders. In this regard, any change of the relevant hotel managers could also affect CDLHT.

CDLHT has no control over the master lessees or the hotel managers of the Master Leased Hotels.

The financial performance of H-REIT, including the distributions which may be made to Stapled Securityholders, are dependent upon the revenue and gross operating profit of each of the Master Leased Hotels. H-REIT has entered into lease agreements with the master lessees which enjoy, subject to certain limitations, full discretion in the operation of the Master Leased Hotels. The master lessees in turn are entering into hotel management agreements with the managers of the Master Leased Hotels. Although H-REIT has the right under certain limited circumstances to approve the replacement of the hotel managers of the Master Leased Hotels, there is no direct contractual relationship between H-REIT and these hotel managers. Accordingly, the financial performance of H-REIT is dependent on the performance of the master lessees and the hotels of the Master Leased Hotels even though H-REIT has no control over the operations, management, branding or marketing of the Master Leased Hotels.

The master lessees and the hotel managers may not maintain or manage CDLHT's hotels properly.

The master lessees and the hotel managers may not maintain or manage CDLHT's hotels properly or in accordance with regulatory requirements and run down the hotels, 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 the hotels, thereby adversely affecting the ability of the master lessees to fund costs of repairs, maintenance, renewals of FF&E, operating equipment, inventories, and/or to make rental payments to H-REIT. 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, could have a material and adverse effect on CDLHT's financial condition and results of operations.

The master lessees may not renew a number of the master leases.

Some of the hotels in the Existing Portfolio are leased to external master lessees by H-REIT. There is no assurance that these master lessees will renew their respective master leases upon the expiry of the term of such master lease. If a master lease is not renewed, CDLHT may not be able to find a suitable purchaser or a suitable replacement master lessee (at all or in a timely manner). In any event, it may not be possible to replace the relevant master lessee immediately upon the expiry of the master lease. Although HBT may step in as the master lessee of last resort, there is no assurance that HBT will be successful in managing or operating the property whether on its own or through an external hotel manager. Therefore, the failure to renew the master leases upon their expiry may have an adverse effect on the financial condition of CDLHT and its level of distributable income.

If the capital markets services licence (the "CMS Licence") of the H-REIT Manager is cancelled 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 CMS Licence issued to the H-REIT Manager is subject to conditions. If the H-REIT Manager fails to satisfy or comply with these conditions, the CMS Licence of the H-REIT Manager may be cancelled by the Authority and the operations of H-REIT will be adversely affected as the H-REIT Manager would no longer be able to act as the manager of H-REIT. H-REIT was authorised as a collective investment scheme on 8 June 2006 and 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.

There is no assurance that CDLHT will be able to leverage the Sponsor's experience in the operations of hotels.

As at the Latest Practicable Date, the Sponsor is a controlling Stapled Securityholder. There is no assurance that the Sponsor will not dispose of its interest in the Stapled Securities. In the event that the Sponsor decides to transfer or dispose of its interest in the Stapled Securities and ceases to be a controlling Stapled Securityholder, CDLHT may no longer be able to leverage on the Sponsor's experience in the ownership and operation of hotels and network of contacts in the hospitality and hospitality-related industries to further its growth. This may have a material and adverse impact on CDLHT's results of operations and financial condition which may, as a consequence, affect CDLHT's ability to make distributions to Stapled 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 management of H-REIT and HBT 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 the passing of a resolution by a majority consisting of 50.0% or more of the total number of votes present and voting (with no participants being disenfranchised) at a meeting of the holders of H-REIT Units duly convened and held
- 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

The lower threshold of approval of Stapled Securityholders 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, CDLHT 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 management of H-REIT and HBT will not lead to differences or deadlock in the operation of CDLHT, which may have adverse effects on CDLHT's financial condition, results of operations and ability to make expected distributions to the Stapled Securityholders.

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 and/or CDLHT. The loss of any of these individuals, or of one or more of the Managers' other key employees, could have a material adverse effect on CDLHT's financial condition and results of operations.

Future growth strategies such as acquisitions and active asset management 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 growth strategy and market selection process may not ultimately be successful and may not provide positive returns to Stapled Securityholders. H-REIT was established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate which is primarily used for hospitality and/or hospitality-related purposes, whether wholly or partially, and real estate-related assets in relation to the foregoing. In relation, HBT could undertake certain hospitality and hospitality-related development projects, acquisitions and investments, which may not be suitable for H-REIT. Regular distributions to the Stapled Securityholders will be made by the Managers. However, there can be no assurance that the Managers will be able to implement their investment policies successfully or that it will be able to expand CDLHT's portfolio at all, or at any specified rate or to any specified size. Acquisitions may cause disruptions to the operations of CDLHT and divert management's attention away from day-to-day operations. Further, there may be significant competition for attractive investment opportunities from other real estate investors. There is no assurance that the Managers will be able to make any acquisitions or investments on favourable terms or within a desired time frame. CDLHT may also rely on external sources of funding for acquisitions, which may not be available on favourable terms or at all. In addition, new Stapled Securities issued in connection with any new acquisition could also be dilutive to existing Stapled Securityholders.

The Managers may from time to time initiate asset enhancement or renovation works on some of the hospitality and/or hospitality-related assets to retain their attractiveness to guests 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. Any major exercise may result in a partial or full closure of the hospitality and/or hospitality-related assets, which may lead to substantial income loss during the period of closure. There is no assurance that such plans for asset enhancement will materialise, and even in the event that they do materialise, they may incur substantial costs to CDLHT, but may not result in CDLHT being able to improve performance as a result of such asset enhancement.

CDLHT's strategy of investing in hospitality and hospitality-related assets may entail a higher level of risk compared to other types of unit trusts that have a more diverse range of investments.

A concentration of investments in a portfolio of such specific real estate assets may cause CDLHT to be susceptible to a downturn in the real estate market as well as the hospitality industry in Singapore and the relevant regions elsewhere. This may lead to a decline in occupancy and room rates correspondingly for such real estate assets including those in CDLHT's portfolio, and/or a decline in the capital value of CDLHT's portfolio, which will have an adverse impact on the distributions to Stapled Securityholders and/or on the results of operations and the financial condition of CDLHT.

The amount H-REIT may borrow is limited, which may affect the operations of H-REIT.

Under the Property Funds Appendix, H-REIT is generally permitted to borrow only up to 45.0% 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 H-REIT Units).

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 hotels and/or hospitality-related assets to expand its portfolio;
- a decline in the value of the H-REIT Deposited Property may cause the borrowing limit to be exceeded, thus affecting H-REIT's ability to make further borrowings; and
- 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.

CDLHT will be subject to risks associated with debt financing, including the risk that their cash flow will be insufficient to meet required payments of principal and interest under such financing and to make distributions to Stapled Securityholders.

CDLHT will distribute at least 90.0% of its taxable income and tax-exempt income (if any). As a result of this distribution policy, CDLHT 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, CDLHT may be required to repay maturing debt with funds from additional debt or equity financing or both. There can be no assurance that such financing will be available on acceptable terms or at all.

CDLHT will also be subject to the risk that the terms of any refinancing of existing borrowings will not be as favourable as the terms of existing borrowings. In addition, they may be subject to certain covenants in connection with any future borrowings that may limit or otherwise adversely affect their operations and their ability to make distributions to Stapled Securityholders. Such covenants may also restrict their ability to acquire hospitality and hospitality-related assets or undertake other capital expenditure or may require them 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) 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 and the amount of distributions they could make to the Stapled Securityholders.

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 may engage in hedging transactions, which can limit gains and increase exposure to losses, and not offer full protection against interest rate and exchange rate fluctuations.

CDLHT may enter into hedging transactions to protect itself from the effects of interest rate fluctuations on floating-rate debt and exchange rate fluctuations. Hedging transactions may include entering into interest rate hedging instruments, purchasing or selling futures contracts, purchasing put and call options or entering into forward agreements. However, hedging activities may not have the desired beneficial impact on the results of operations or financial condition of

CDLHT. No hedging activity can completely insulate risks associated with changes in interest rates and exchange rates. Moreover, interest rate hedging could fail to protect CDLHT or adversely affect CDLHT because among other things:

- available interest rate hedging may not correspond directly with the interest rate risk for which protection is sought;
- the duration of the hedge may not match the duration of the related liability;
- the party owing money in the hedging transaction may default on its obligation to pay;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs CDLHT ability to sell or assign its side of the hedging transaction; and
- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Downward adjustments would reduce the net asset value of CDLHT.

Hedging involves risks and typically involves costs, including transaction costs, which may reduce overall returns. These costs increase as the period covered by the hedging increases and during periods of rising and volatile interest rates. These costs will also limit the amount of cash available for distributions to Stapled Securityholders. The Managers, will regularly monitor the feasibility of engaging in such hedging transactions taking into account the cost of such hedging transactions.

RISKS RELATING TO INVESTING IN REAL ESTATE

Global acquisitions of hospitality and/or hospitality-related assets expose CDLHT to economic and real estate market conditions and changes in fiscal policies in such other countries.

Approximately 38.5% of CDLHT's net property income in FY2016 was contributed by properties outside of Singapore, as a result, CDLHT's results of operations depend, to a large extent, on the performance of the local, regional and global economy.

Further, 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 measures and policies adopted by the relevant foreign governments and regulatory authorities at national, provincial or local levels, such as government control over property investments or regulations in relation to foreign exchange. Legal protection and recourse available to CDLHT in certain countries may be limited.

In addition, the income and gains derived from investments in hospitality and/or hospitality-related assets in other countries will be subject to various types of taxes in Singapore and these foreign countries, including income tax, withholding tax, 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 or the introduction of new taxes, could adversely affect and erode the returns from these hospitality and hospitality-related assets and hence the yield to Stapled Securityholders. There is also no assurance that CDLHT will be able to repatriate to Singapore the income and gains derived from investments in hospitality and/or hospitality-related 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 distributions to Stapled Securityholders out of such income and gains.

The value of CDLHT's assets might be adversely affected if any of the Managers, the master lessees and/or the hotel managers (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 CDLHT and its potential liabilities to third parties.

Should the Managers, the master lessees and/or the hotel 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, CDLHT 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 deductible 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 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 for its properties 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, 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.

CDLHT may be subject to increases in property expenses and other operating expenses.

CDLHT's ability to make distributions to Stapled Securityholders 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, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;
- increases in insurance premiums;
- increases in the rate of inflation;
- in relation to Claymore Connect, increases in advertising and promotion expenses and other costs in relation to the management of Claymore Connect and increases in utility charges;
- increases in leasing fees and commissions payable to third party agents for marketing Claymore Connect to tenants;
- defects affecting or environmental pollution in connection with CDLHT's hospitality and hospitality-related assets which need to be rectified, leading to unforeseen capital expenditure; and

- increase in the Managers' management fees, H-REIT Trustee's and/or HBT Trustee-Manager's trustee 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's financial condition and total returns. In addition, such increase may adversely affect the ability of CDLHT to make expected distributions to Stapled Securityholders.

CDLHT may be adversely affected by the illiquidity of real estate investments.

CDLHT's strategy is to invest primarily in hospitality and hospitality-related assets globally. This involves a higher level of risk as compared to a portfolio which has a diverse range of 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, with a consequential adverse effect on CDLHT's ability to deliver expected distributions to Stapled Securityholders.

CDLHT's properties or a part of them may be acquired compulsorily by the respective governments in the countries in which such properties are located.

The Existing Portfolio comprises properties which are located in Singapore, Australia, Japan, New Zealand, Maldives and the UK, and CDLHT is in the process of acquiring Pullman Hotel Munich, which is located in Germany. Under the laws and regulations of each country, there are various circumstances under which the respective governments of each country are empowered to acquire some of the properties.

In the event that the compensation paid for the compulsory acquisition of the property is less than the market value of the property, such compulsory acquisitions would have an adverse effect on the gross revenue of CDLHT and the value of its asset portfolio.

CDLHT may acquire hospitality and hospitality-related assets located in other countries. The laws of these countries may also provide for a right by the governments of these countries to compulsorily acquire any land or property with no compensation to the owner, or for compensation below market value. Such compulsory acquisitions would have an adverse effect on the revenue, results of operations and value of CDLHT's asset portfolio.

RISKS RELATING TO AN INVESTMENT IN THE STAPLED SECURITIES

The actual performance of CDLHT and its properties could differ materially from the forward-looking statements in this Offer Information Statement.

This Offer Information Statement contains forward-looking statements which are based on a number of assumptions and are subject to significant uncertainties and contingencies, many of which are outside CDLHT's control.

Some or all of the events and circumstances contained in these forward-looking statements may not occur as expected, or events and circumstances which are not currently anticipated may arise. Actual results and performances of CDLHT and its properties may differ materially from those projected in these forward-looking statements.

It should also be noted that due to the seasonal nature of the hospitality business, the financial performance of hospitality properties is generally better in the second half of the year as compared to the first half of the year.

The Stapled Securities may be subsequently unstapled.

The Stapled Securities may be unstapled for various reasons as set out in the Stapling Deed. In particular, Stapled Securityholders may, for various reasons, decide that the Stapled Securities should be unstapled such that an H-REIT Unit is no longer stapled to an HBT Unit (“**Unstapling**”), subject to the Stapling Deed, the H-REIT Trust Deed, the HBT Trust Deed and any relevant legislation. In the event that Unstapling should occur, the structure of CDLHT may be undermined and there may be ramifications and adverse effects to Stapled Securityholders. As the letter of eligibility issued by the SGX-ST to CDLHT for the listing and quotation on the Mainboard of the SGX-ST is in relation to the Stapled Securities and does not extend to the listing and quotation of the individual components of the Stapled Securities, being H-REIT Units and HBT Units, upon Unstapling, the Stapled Securities will be de-listed from the SGX-ST. As a result, investors’ ability to liquidate their investments in the H-REIT Units and/or HBT Units in response to changes in economic, real estate market or other conditions may be adversely affected and the realisable value of H-REIT Units and the HBT Units may be less than their fair values.

The NAV per Stapled Security may be diluted if further issues are priced below the current NAV per Stapled Security.

New Stapled Securities may be issued at a subscription price at or below the then-current NAV per Stapled Security. Where new Stapled Securities, including Stapled Securities which may be issued to the Managers in payment of the Manager’s management fees, are issued at less than the current NAV per Stapled Security, the NAV of each existing Stapled Security will be diluted.

H-REIT may be unable to comply with the terms of the Tax Ruling or the Tax Ruling may be revoked or amended.

H-REIT has received the tax ruling from the Inland Revenue Authority of Singapore (the “**IRAS**”) under which tax transparency has been granted to H-REIT on stipulated terms and conditions (the “**Tax Ruling**”). These terms and conditions include a requirement for the H-REIT Trustee and the H-REIT Manager to take all reasonable steps necessary to safeguard the IRAS against the loss of tax as a result of the Tax Ruling and to comply with all administrative requirements to ensure ease of tax administration. The Tax Ruling grants tax transparency on H-REIT’s Taxable Income that is distributed to Stapled Securityholders. The Tax Ruling, either in part or in whole, may be revoked or its terms may be reviewed and amended by the IRAS at any time. If the Tax Ruling is revoked or if H-REIT is unable to comply with its terms, H-REIT will be subject to tax on its Taxable Income and the tax will be assessed on, and collected from, the REIT Trustee, in which case distributions to Stapled Securityholders will be made after tax. In such event, the actual amount of distributions made to Stapled Securityholders may, depending on their effective rates of individual taxation, be less than the amount they would have otherwise received if H-REIT had been granted tax transparency in respect of its distributions. If the terms of the Tax Ruling are amended, H-REIT may not be able to comply with the new terms imposed and this non-compliance could affect H-REIT’s tax transparent status and its ability to distribute its Taxable Income free of tax deduction at source.

Stapled Securityholders may bear the effects of tax adjustments on income distributed in prior periods.

Distributions will be based on CDLHT's net taxable income as computed by the Managers. CDLHT's taxable income as computed by the Managers may, however, be subject to adjustment by the IRAS. The effect of this adjustment would mean that CDLHT's actual taxable income might either be higher or lower than what was computed by the Managers. The difference between CDLHT's actual taxable income and CDLHT's taxable income, as computed by the Managers for the purpose of making a distribution to Stapled Securityholders will be added to or deducted from the net taxable income computed by the Managers for the subsequent distribution to Stapled Securityholders and thus affect the amount of these subsequent distributions.

CDLHT may not be able to make distributions or the level of distributions may fall.

The income which CDLHT earns from its real estate investments depends upon, among other factors, the amount of rental income received and the level of property and other operating expenses incurred. If properties owned by CDLHT do not generate sufficient income, CDLHT's cash flow and ability to make distributions to Stapled Securityholders will be adversely affected. As such, CDLHT is highly reliant on the continued good performance of the Existing Portfolio to maintain distributions. There is no assurance that the level of distributions to Stapled Securityholders will not be adversely affected in the future. No assurance can be given as to CDLHT's ability to pay or maintain distributions. Neither is there any assurance that the level of distributions will increase over time, that there will be contractual increases in rent under the leases of the Existing Portfolio or that the receipt of rental revenue in connection with any expansion of the Existing Portfolio or further acquisitions of assets will increase CDLHT's income available for distribution to Stapled Securityholders.

The laws, regulations and accounting standards in Singapore, Australia, New Zealand, Japan, Maldives, UK and Germany to which CDLHT is subject to may change.

CDLHT may be affected by the introduction of new or revised legislation, regulations or accounting standards in countries where its hotels are located. Accounting standards in Singapore, Australia, New Zealand, Japan, Maldives and UK (being countries where the hotels in the Existing Portfolio are located) and Germany (where Pullman Hotel Munich is located) are subject to change. CDLHT's financial statements may be affected by the introduction of any 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 CDLHT's ability to make distributions to Stapled Securityholders;
- have an adverse effect on the ability of the Managers to carry out CDLHT's investment mandate; and/or
- have an adverse effect on the business, financial condition, results of operations and prospects of CDLHT.

Market and economic conditions may affect the market price and demand for the Stapled Securities.

Movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of and demand for the Stapled Securities. In particular, an increase in market interest rates may have an adverse impact on the market price of the Stapled Securities if the annual yield on the price paid for the Stapled Securities gives investors a lower return as compared to other investments.

The trading price of the Stapled Securities has been, and may continue to be, volatile.

The trading price of the Stapled Securities has been, and may continue to be, subject to large fluctuations. The trading price of the Stapled Securities may increase or decrease in response to a number of events and factors, including:

- quarterly variations in operating results;
- changes in estimates and recommendations by securities analysts;
- the operating and stock price performance of companies in the real estate industry and other REITs and business trusts;
- developments affecting CDLHT, its master lessees, hotel managers or its competitors;
- valuations of CDLHT's properties;
- changes to the regulatory system, including the tax system, both generally and specifically in relation to Singapore REIT and business trusts;
- changes in general economic conditions; and
- other events or factors described in this Offer Information Statement.

This volatility may adversely affect the trading price of the Stapled Securities, including the Rights Stapled Securities to be allotted and issued by the Managers, regardless of CDLHT's operating performance.

A fall in the price of the Stapled Securities could have a material adverse impact on the value of the Rights Stapled Securities.

There can be no assurance that investors will be able to sell the Rights Stapled Securities at a price equal to or greater than the Issue Price of the Rights Stapled Securities. Accordingly, holders of the Stapled Securities who are existing Stapled Securityholders or have acquired Rights Entitlements in the secondary market and/or subscribed to the Rights Stapled Securities, whether existing Stapled Securityholders or not, may suffer a loss.

Investors may experience future dilution in the value of their Stapled Securities.

The Managers may need to raise additional funds in the future to finance the repayment of borrowings, expansion of new developments relating to CDLHT's existing operations and/or to finance future investments and acquisitions. If additional funds are raised through the issuance by the Managers of new Stapled Securities other than on a *pro rata* basis to existing Stapled Securityholders, the percentage ownership of existing Stapled Securityholders may be reduced and existing Stapled Securityholders may experience dilution in the value of their Stapled Securities.

The Singapore Code on Take-overs and Mergers may discourage or prevent certain types of transactions.

The SFA and the Singapore Code on Take-overs and Mergers contains certain provisions that may delay, deter or prevent a future take-over or change in control of CDLHT. Any person acquiring an interest (either on his or her own or together with parties acting in concert with him or her) in:

- (i) 30.0% or more of the total Stapled Securities; or
- (ii) when holding not less than 30.0% but not more than 50.0% of the total Stapled Securities, more than 1.0% of the total Units in any six-month period,

will be required to make a general offer for the remaining Stapled Securities. These provisions may discourage or prevent certain types of transactions involving an actual or threatened change of control of CDLHT. Some of the Stapled Securityholders may, therefore, be disadvantaged as a transaction of that kind might have allowed the sale of Stapled Securities at a price above the prevailing market price.

The Managers are not obliged to redeem the Stapled Securities.

Stapled Securityholders have no right to request the Managers to redeem their Stapled Securities while the Stapled Securities are listed on the SGX-ST. It is intended that Stapled Securityholders may only deal in their listed Stapled Securities through trading on the SGX-ST.

The price of the Stapled Securities may decline after the Rights Issue.

The Issue Price of the Rights Stapled Securities has been determined by agreement among the Managers and the Lead Manager and Underwriter and may not be indicative of the market price for the Stapled Securities upon the completion of the Rights Issue. The Stapled Securities may trade at prices significantly below the Issue Price after the Rights Issue. The trading price of the Stapled Securities will depend on many factors, including:

- the perceived prospects of the business and investments of CDLHT (if any) and the hospitality real estate market in Singapore or any other countries in which the hospitality and hospitality-related assets of CDLHT may be located in the future;
- differences between CDLHT's actual financial and operating results and those expected by investors and analysts;
- changes in analysts' recommendations or projection;
- changes in general economic or market conditions;
- the market value of CDLHT's assets;
- the perceived attractiveness of the Stapled Securities against other equity or debt securities, including those not in the real estate sector;
- favourable or unfavourable news on or developments of CDLHT;
- the balance of buyers and sellers of the Stapled Securities;
- the future size and liquidity of the Singapore REIT and business trust market;

- any changes from time to time to the regulatory system, including the tax system, both generally and specifically in relation to Singapore REITs and business trusts;
- the ability on CDLHT's part to implement successfully its investment and growth strategies;
- foreign exchange rates; and
- broad market fluctuations, including weakness of the equity market and increases in interest rates.

For these reasons, among others, the Stapled Securities may trade at prices that are higher or lower than the NAV per Stapled Security. To the extent that CDLHT retains operating cash flow for investment purposes, working capital requirements or other purposes, these retained funds, while increasing the value of its underlying assets, may not correspondingly increase the market price of the Stapled Securities. Any failure on CDLHT's part to meet market expectations with regard to future earnings and cash distributions may adversely affect the market price for the Stapled Securities.

In addition, the Stapled Securities are not capital-safe products and there is no guarantee that Stapled Securityholders can realise a higher amount or even the principal amount of their investment. If CDLHT, H-REIT or HBT is terminated or liquidated, it is possible that investors may lose all or a part of their investment in the Stapled Securities.

RISKS ASSOCIATED WITH THE RIGHTS ISSUE

An active trading market may not develop for the Rights Entitlements and, if a market does develop, the Rights Entitlements may be subject to greater price volatility than the Stapled Security.

A trading period for the Rights Entitlements has been fixed for 10 July 2017 to 18 July 2017. There is no assurance that an active trading market for the Rights Entitlements on the SGX-ST will develop during the Rights Entitlements trading period or that any over-the-counter trading market in the Rights Entitlements will develop. Even if active markets develop, the trading price of the Rights Entitlements, which depends on the trading price of the Stapled Securities, may be volatile.

As the Managers may arrange for the sales of the Rights Entitlements of the Ineligible Stapled Securityholders, the sales may give pressure to the trading price of the Rights Entitlements. In addition, the market price of the Rights Entitlements may not reflect their actual value.

Stapled Securityholders who do not or are not able to accept their provisional allotments of Rights Stapled Securities will experience a dilution in their interest in CDLHT.

If Stapled Securityholders do not or are not able to accept their provisional allotments of Rights Stapled Securities, their proportionate interest in CDLHT will be reduced. They may also experience a dilution in the value of their Stapled Securities. Even if a Stapled Securityholder sells his Rights Entitlements, or such Rights Entitlements are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his interest in CDLHT as a result of the Rights Issue.

The Issue Price of the Rights Stapled Securities is not an indication of the underlying value of the Stapled Securities.

The Issue Price of the Rights Stapled Securities was determined based on the last traded price of the Stapled Securities on the SGX-ST on 27 June 2017, being the last trading day of the Stapled Securities on the SGX-ST prior to the release of the announcement of the Rights Issue on the

same date. The Issue Price was set at a discount to the Closing Price and to the TERP at that time. The Issue Price does not bear a direct relationship to the book value of CDLHT's assets, past operations, cash flow, earnings, financial condition or any other established criteria for value, and Stapled Securityholders should not consider the Issue Price to be any indication of the Stapled Securities' underlying value. The Stapled Securities may trade at prices lower than the Issue Price in the future.

The Rights Issue may cause the price of the Stapled Securities to decrease, and this decrease may continue.

The Issue Price of the Rights Stapled Securities represents a discount of 23.8% to the Closing Price of S\$1.680 per Stapled Security and a discount of approximately 20.7% to the TERP of S\$1.613 per Stapled Security. This discount, along with the number of Rights Stapled Securities, may result in a decrease in the trading price of the Stapled Securities and this decrease may continue after the completion of the Rights Issue.

Stapled Securityholders need to act promptly and follow subscription instructions, otherwise their exercise of Rights Entitlements may be rejected and their Rights Entitlements may expire without value and without any compensation.

Stapled Securityholders who desire to accept their Rights Entitlements or apply for Excess Rights Stapled Securities in the Rights Issue must act promptly to ensure that all required forms, letters and payments are actually received by the relevant agents prior to the respective expiration dates and times as set forth under **Appendix B – Procedures for Acceptance, Payment, Renunciation and Application for Rights Stapled Securities and/or Excess Rights Stapled Securities by Eligible Stapled Securityholders** and in **Appendix C – Additional Terms and Conditions for Electronic Applications** to this Offer Information Statement. Failure to complete and sign the required acceptance forms or letters, the sending of an incorrect payment amount, or otherwise failure to follow the procedures that apply to a Stapled Securityholder's desired transaction may lead to rejection of the Stapled Securityholder's acceptance of the Rights Entitlements and any Rights Entitlements not accepted will expire without value and without any compensation.

None of the Managers, the Stapled Security Registrar, CDP, or the Lead Manager and Underwriter undertake to contact the Stapled Securityholder concerning, or attempt to correct, an incomplete or incorrect acceptance form, letter or payment. The Managers have sole discretion to determine whether an acceptance of Rights Entitlements and acceptance of or subscription for Rights Stapled Securities properly follows the appropriate procedures. Stapled Securityholders who hold Stapled Securities through a securities sub-account, brokerage account or other similar custodial account with a depository agent, broker, custodian or nominee other than CDP are urged to consult their depository agent, broker, custodian or nominee without delay regarding the procedures that they need to follow for the subscription and payment for the Rights Stapled Securities.

GENERAL INFORMATION

LEGAL AND ARBITRATION PROCEEDINGS

- (1) To the best of the Managers' knowledge and belief, there are no legal or arbitration proceedings, including those which are pending or known to be contemplated, which, in the opinion of the Managers, may have or have had in the last 12 months before the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of CDLHT.

MATERIAL CONTRACTS

- (2) There were no material contracts entered into by any of the H-REIT Trustee, the H-REIT Manager, the HBT Trustee-Manager or any of the subsidiaries of H-REIT or HBT other than contracts entered into in CDLHT's ordinary course of business, for the period of two years before the date of lodgement of this Offer Information Statement, save for:
 - (i) the Management and Underwriting Agreement dated 27 June 2017 entered into between the Managers and the Lead Manager and Underwriter in relation to the Rights Issue; and
 - (ii) the Sponsor Undertaking dated 27 June 2017 provided by the Sponsor to the Managers and the Lead Manager and Underwriter.

(See "Summary – 6. Underwriting of the Rights Issue" for further information on the Management and Underwriting Agreement, "7. Commitment of the Sponsor" and "8. Sponsor Undertaking" for further information on the Sponsor Undertaking.)

BREACH OF TERMS AND CONDITIONS OR COVENANTS OF CREDIT ARRANGEMENT OR BANK LOAN

- (3) To the best of the Managers' knowledge and belief, CDLHT is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect CDLHT's financial position and results or business operations, or the investments by Stapled Securityholders.

SIGNIFICANT CHANGES

- (4) Save as disclosed in this Offer Information Statement, to the best of the Managers' knowledge and belief, no event has occurred from 31 March 2017, being the last day of the period covered by the 1Q2017 Unaudited Financial Statements, to the Latest Practicable Date, which may have a material effect on the financial position and results of CDLHT.

TRADING OF STAPLED SECURITIES

- (5) The Managers are not aware of any significant trading suspension on the SGX-ST during the three years immediately preceding the Latest Practicable Date.
- (6) The Managers believe that Stapled Securities are regularly traded on the SGX-ST.

CONSENTS FROM ISSUE MANAGER AND UNDERWRITER

- (7) DBS Bank Ltd. has given, and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to being named in this Offer Information Statement as the Lead Manager and Underwriter to the Rights Issue.

STATEMENTS BY EXPERTS

- (8) Each of Knight Frank and CBRE (collectively, the “**Independent Valuers**”) has given, and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to the issue of this Offer Information Statement with the inclusion of:
- (i) its name as an Independent Valuer; and
 - (ii) all references thereto in the form and context in which they are included in this Offer Information Statement.

The valuations of The Lowry Hotel and Pullman Hotel Munich as stated in the Offer Information Statement were prepared by the Independent Valuers for the purpose of, amongst others, inclusion in this Offer Information Statement.

AUTHORITY TO ISSUE RIGHTS STAPLED SECURITIES

- (9) The Managers’ authority to issue the Rights Stapled Securities is pursuant to the General Mandate that was given by the Stapled Securityholders to the Managers for the issue of new Stapled Securities, pursuant to an ordinary resolution obtained at an annual general meeting of Stapled Securityholders held on 26 April 2017.

MISCELLANEOUS

- (10) H-REIT is subject to the Code on Collective Investment Schemes issued by the Authority. The Code on Collective Investment Schemes can be found on the website of the Authority at www.mas.gov.sg.

HBT is a business trust registered under the BTA.

Save as disclosed in this Offer Information Statement, including the Appendices to this Offer Information Statement, the Managers are not aware of any other matters which could materially affect, directly or indirectly, the operations or financial position or results of CDLHT or investments by Stapled Securityholders.

Statements contained in this Offer Information Statement which do not state historical facts may be forward-looking statements. Such statements are based on certain assumptions and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecasts. See the section entitled “Risk Factors” for further details. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Managers or any other person or that these results will be achieved or are likely to be achieved.

- (11) Other than the Rights Entitlements under the Rights Issue, none of the Stapled Securityholders has pre-emptive rights to subscribe for or purchase the Rights Stapled Securities.

As there may be prohibitions or restrictions against the offering of Rights Stapled Securities in certain jurisdictions (other than Singapore), only Eligible Stapled Securityholders are eligible to participate in the Rights Issue. Please refer to the section entitled “Eligibility of Stapled Securityholders to Participate in the Rights Issue” for further information.

GLOSSARY

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

1Q2017	:	The first quarter ended 31 March 2017
1Q2017 Unaudited Financial Statements	:	The unaudited financial statements of CDLHT for 1Q2017
2014 Audited Financial Statements	:	The audited financial statements of CDLHT for FY2014
2015 Audited Financial Statements	:	The audited financial statements of CDLHT for FY2015
2016 Audited Financial Statements	:	The audited financial statements of CDLHT for FY2016
Acquisitions	:	CDLHT's acquisition of The Lowry Hotel and an effective interest of 94.5% in Pullman Hotel Munich
ARE	:	The application form for Rights Stapled Securities and Excess Rights Stapled Securities issued to Eligible Stapled Securityholders in respect of their Rights Entitlements under the Rights Issue
ARS	:	The application form and acceptance form for Rights Stapled Securities to be issued to purchasers of the Rights Entitlements under the Rights Issue traded on the SGX-ST under the book-entry (scripless) settlement system
ATM	:	Automated teller machine
Australia Hotels	:	Novotel Brisbane, Mercure Brisbane, Ibis Brisbane, Mercure Perth and Ibis Perth
Authority	:	Monetary Authority of Singapore
BTA	:	The Business Trusts Act, Chapter 31A of Singapore
CBRE	:	CBRE GmbH
CDLHT	:	CDL Hospitality Trusts
CDP	:	The Central Depository (Pte) Limited

Closing Date	:	(i) 24 July 2017 at 5.00 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Managers), being the last date and time for acceptance of and payment for the Rights Stapled Securities by the renounees (if acceptance is made through CDP); or
		(ii) 24 July 2017 at 9.30 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Managers), being the last date and time for acceptance of and payment for the Rights Stapled Securities by the renounees (if acceptance is made through an ATM of a Participating Bank)
Closing Price	:	The closing price of S\$1.680 per Unit on the SGX-ST on 27 June 2017, being the last trading day of the Stapled Securities prior to the announcement of the Rights Issue
CMS Licence	:	The capital market services licence for REIT management held by the H-REIT Manager
Commercial Components	:	The office and retail components of Pullman Hotel Munich
Companies Act	:	The Companies Act, Chapter 50 of Singapore
Directors	:	The directors of the Managers
DPS	:	Distribution per Stapled Security
Electronic Application	:	Acceptance of the Rights Stapled Securities and (if applicable) application for Excess Rights Stapled Securities under the Rights Issue made through an ATM of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement
Eligible Stapled Securityholders	:	Stapled Securityholders with Stapled Securities standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Stapled Securityholders located, resident or with a registered address in the U.S. or any jurisdiction in which the offering of Rights Stapled Securities and Rights Entitlements and may not be lawfully made
EPS	:	Earnings per Stapled Security

Excess Rights Stapled Securities	:	The Rights Stapled Securities represented by the provisional allotments (A) of (i) Eligible Stapled Securityholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Stapled Securityholders (as defined herein) which have not been sold during the Rights Entitlements trading period or (B) that have not been validly taken up by the original allottees, renounees of the Rights Entitlements or the purchasers of Rights Entitlements
Existing Portfolio	:	CDLHT's asset portfolio comprising 19 properties as at the Latest Practicable Date
Existing Stapled Securities	:	The existing Stapled Securities as at the Rights Issue Books Closure Date
F&B	:	Food and beverage
Facilities	:	CDLHT's total facilities of approximately S\$2,392.7 million as at the Latest Practicable Date
FF&E	:	Fixtures, furniture and equipment
Financial Statements	:	The 2014 Audited Financial Statements, the 2015 Audited Financial Statements, the 2016 Audited Financial Statements and the 1Q2017 Unaudited Financial Statements
Foreign Purchasers	:	Persons whose registered addresses with CDP are outside Singapore and who purchase the Rights Entitlements through the book-entry (scripless) settlement system
FurnitureCo	:	Munich Furniture B.V.
FY2014	:	The financial year from 1 January 2014 and ended 31 December 2014
FY2015	:	The financial year from 1 January 2015 and ended 31 December 2015
FY2016	:	The financial year from 1 January 2016 and ended 31 December 2016
General Mandate	:	The general mandate that was given by the Stapled Securityholders to the Managers for the issue issuance of new Stapled Securities, pursuant to an ordinary resolution obtained at an annual general meeting of Stapled Securityholders held on 26 April 2017
German Vendor	:	Event Hospitality Group B.V.
Germany Hotel	:	Pullman Hotel Munich

Germany Property	:	The Germany Hotel, the Commercial Components and the FF&E
Germany Property Consideration	:	The property price of €98.9 million (approximately S\$153.8 million) for the Germany Property
GFA	:	Gross floor area
GST	:	Goods and services tax
HBT	:	CDL Hospitality Business Trust
HBT Trust Deed	:	The trust deed constituting HBT dated 12 June 2006 (as amended)
HBT Trustee-Manager	:	M&C Business Trust Management Limited, in its capacity as trustee-manager of HBT
HBT Units	:	The units in HBT
H-REIT	:	CDL Hospitality Real Estate Investment Trust
H-REIT Manager	:	M&C REIT Management Limited, in its capacity as manager of H-REIT
H-REIT Trustee	:	DBS Trustee Limited, in its capacity as trustee of H-REIT
H-REIT Trust Deed	:	The trust deed constituting H-REIT dated 8 June 2006 (as amended)
H-REIT Units	:	The units in H-REIT
Independent Valuers	:	Knight Frank LLP and CBRE GmbH
Ineligible Stapled Securityholders	:	Stapled Securityholders who are not Eligible Stapled Securityholders
IRAS	:	The Inland Revenue Authority of Singapore
Issue Price	:	S\$1.280, being the issue price per Rights Stapled Security
Japan Hotels	:	Hotel MyStays Asakusabashi and Hotel MyStays Kamata, both located in Toyko, Japan
JNTO	:	Japan National Tourism Organization
Knight Frank	:	Knight Frank LLP
Latest Practicable Date	:	30 June 2017, being the latest practicable date prior to the lodgement of this Offer Information Statement with the Authority

Lead Manager and Underwriter	:	DBS Bank Ltd.
Listing Date	:	The date of listing of CDLHT on the Mainboard of the SGX-ST, being 19 July 2006
Listing Manual	:	The Listing Manual of the SGX-ST, as may be amended or modified from time to time
Maldives Resorts	:	Angsana Velavaru and Jumeirah Dhevanafushi
Management and Underwriting Agreement	:	The management and underwriting agreement entered into between the Managers and the Lead Manager and Underwriter on 27 June 2017
Managers	:	The H-REIT Manager and the HBT Trustee-Manager
Market Day	:	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading
Master Leased Hotels	:	H-REIT's hospitality and hospitality-related assets which are under master leases
MBIE	:	The New Zealand Ministry of Business, Innovation & Employment
MOFJ	:	The Ministry of Foreign Affairs of Japan
MTI	:	The Ministry of Trade and Industry
NAV	:	Net asset value
NKS	:	NKS Hospitality I B.V.
New Zealand Hotel	:	Grand Millennium Auckland (formerly known as Rendezvous Grand Hotel Auckland)
Offer Information Statement	:	This offer information statement to Stapled Securityholders dated 5 July 2017
Participating Banks	:	The banks as set out in Appendix D of this Offer Information Statement
Pro Rata Allocation	:	The Relevant Entities' respective provisional allotment of Rights Stapled Securities
Property Funds Appendix	:	Appendix 6 to the Code on Collective Investment Schemes
Prospectus	:	The prospectus of CDLHT dated 10 July 2006
Provent	:	Provent Immobilien Beteiligungs GmbH

Regulation S	:	Regulation S under the Securities Act
Relevant Entities	:	Hospitality Holdings Pte. Ltd., the H-REIT Manager and the HBT Trustee-Manager
Revolving Credit Facility	:	S\$250.0 million committed bilateral multi-currency unsecured revolving credit facility from two banks (comprising S\$150.0 million for a three-year term and another S\$100.0 million for a 3.25-year term)
Rights Entitlements	:	The provisional allotments of Rights Stapled Securities to Eligible Stapled Securityholders under the Rights Issue
Rights Issue	:	The issue of new Stapled Securities on a renounceable basis to Eligible Stapled Securityholders on the basis of the Rights Ratio at the Issue Price
Rights Issue Books Closure Date	:	5.00 p.m. on 5 July 2017 being the time and date on which the Transfer Books and Register of Stapled Securityholders are closed to determine the Rights Entitlements of Eligible Stapled Securityholders under the Rights Issue
Rights Ratio	:	The rights ratio of 20 Rights Stapled Security for every 100 existing Stapled Securities standing to the credit of an Eligible Stapled Securityholders' Securities Account as at the Rights Issue Books Closure Date
Rights Stapled Securities	:	The new Stapled Securities to be issued by the Managers pursuant to the Rights Issue
Securities Account	:	A securities account maintained by a Depositor with CDP (but does not include securities sub-accounts)
Securities Act	:	U.S. Securities Act of 1933, as amended
SFA	:	Securities and Futures Act, Chapter 289 of Singapore
SGX-ST	:	Singapore Exchange Securities Trading Limited
Singapore Hotels	:	Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel, Studio M Hotel and Novotel Singapore Clarke Quay
Sponsor	:	Millennium & Copthorne Hotels plc
Sponsor Stapled Securities	:	368,949,703 Stapled Securities which the Sponsor has an aggregate deemed interest in
Sponsor Undertaking	:	The irrevocable undertaking provided by the Sponsor to the Managers and the Lead Manager and Underwriter
Sq ft	:	Square feet

Sq m	:	Square metres
SRS	:	Supplementary Retirement Scheme
SRS Account	:	An account opened by a participant in the SRS from which money may be withdrawn for, among others, payment of the subscription of the Rights Stapled Securities and/or Excess Rights Stapled Securities
Stapled Group	:	H-REIT and its subsidiaries and HBT and its subsidiaries
Stapled Securities	:	The stapled securities in CDLHT
Stapled Security Registrar	:	M & C Services Private Limited
Stapled Securityholder	:	A holder of Stapled Securities
Stapled Securityholdings	:	Holdings of Stapled Securities
Stapling Deed	:	The stapling deed dated 12 June 2006 entered into by the H-REIT Manager, the H-REIT Trustee and the HBT Trustee-Manager
STB	:	Singapore Tourism Board
Subscribing Entities	:	The Relevant Entities and/or one or more of the Sponsor's wholly-owned subsidiaries
Substantial Stapled Securityholders	:	Stapled Securityholders with interests in not less than 5.0% of all Stapled Securities in issue
Take-over Code	:	The Singapore Code on Take-overs and Mergers
Target Companies	:	FurnitureCo and NKS
Tax Ruling	:	The tax ruling from the IRAS under which tax transparency has been granted to H-REIT on stipulated terms and conditions
Taxable Income	:	Income ascertained to be chargeable to tax in accordance with the provisions of the Income Tax Act, after deduction of allowable expenses and applicable tax allowances

TERP	:	The theoretical ex-rights price of S\$1.613 per Stapled Security which is calculated as follows:
		$\text{TERP} = \frac{\text{Market capitalisation of CDLHT based on the Closing Price} + \text{Gross proceeds from the Rights Issue}}{\text{Stapled Securities outstanding after the Rights Issue}}$
TMK	:	Tokutei Mokuteki Kaisha
Transactions	:	The Acquisitions and the Rights Issue
UK	:	United Kingdom
UK HotelCo	:	The Lowry Hotel Limited
UK Property Consideration	:	The property price of £52.5 million (approximately S\$94.1 million) for The Lowry Hotel
UK Vendor	:	North Low S.Á R.L.
U.S.	:	United States
Unit Share Market	:	Refers to the ready market of the SGX-ST for trading of odd lots of Stapled Securities with a minimum size of one Stapled Security
Unstapling	:	The process that results in a H-REIT Unit no longer being stapled to a HBT Unit

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

The terms “Depositor” and “Depository Agent” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term “subsidiary” shall have the meaning ascribed to it in Section 5 of the Companies Act. Any references to the Managers shall refer to them acting in their respective capacities as manager of H-REIT and trustee-manager of HBT, unless the context of the statement otherwise requires.

Any reference in this Offer Information Statement, the ARE or the ARS to any enactment is a reference to that enactment for the time being amended or re-enacted. Any words defined in the Companies Act, the SFA, the Securities and Futures (Offer of Investments) (Business Trusts) (No.2) Regulations 2005, the Securities and Futures (Offer of Investments) (Collective Investment Schemes) Regulations 2005, the Code on Collective Investment Schemes issued by the Authority, the Property Funds Appendix, the Listing Manual or any modification thereof and used in this Offer Information Statement, the ARE or the ARS shall, where applicable, have the same meaning ascribed to it in the Companies Act, the SFA, the Securities and Futures (Offer of Investments) (Collective Investment Schemes) Regulations 2005, the Securities and Futures (Offer of Investments) (Business Trusts) (No. 2) Regulations 2005, the Code on Collective Investment Schemes issued by the Authority, the Property Funds Appendix, the Listing Manual or such modification thereof, as the case may be, unless otherwise provided.

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 in this Offer Information Statement to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to dates and to a time of day in this Offer Information Statement shall be a reference to Singapore dates and time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to an appropriate number of decimal places, where applicable.

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CERTAIN FINANCIAL INFORMATION RELATING TO CDLHT

Selected financial data from the Financial Statements including the line items in the statement of total return, distribution statement, statement of financial position and statement of cash flows of CDLHT, is set out in this Appendix.

Financial data relating to (i) DPS, (ii) EPS, (iii) DPS after adjustment for the bonus element in the Rights Stapled Securities, (iv) EPS after adjustment for the bonus element in the Rights Stapled Securities, (v) NAV per Stapled Security and (vi) NAV per Stapled Security after adjustment for the Rights Issue is also set out below.

Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are available on the website of CDLHT at <http://www.cdlht.com> and are also available for inspection during normal business hours at the registered office of the Managers at 36 Robinson Road, #04-01 City House, Singapore 068877, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement¹.

Save for the Financial Statements which are deemed to be incorporated into this Offer Information Statement by reference, the information contained on the website of CDLHT does not constitute part of this Offer Information Statement.

¹ Prior appointment with the Managers will be appreciated.

STATEMENT OF TOTAL RETURN AND DISTRIBUTION STATEMENT

	Unaudited 1Q2017 S\$'000	Audited FY2016 S\$'000	Audited FY2015 S\$'000	Audited FY2014 S\$'000
Statement of Total Return				
Gross revenue	46,411	180,857	172,410	166,812
Property expenses	(10,539)	(43,297)	(35,407)	(26,286)
Net property income	35,872	137,560	137,003	140,526
H-REIT Manager's base fees	(1,477)	(5,975)	(6,052)	(5,840)
H-REIT Manager's performance fees	(1,727)	(6,439)	(6,711)	(7,007)
H-REIT Trustee's fees	(67)	(272)	(273)	(266)
HBT Trustee-Manager's management fees	(35)	(438)	–	(24)
HBT Trustee-Manager's trustee fees	(31)	(134)	(37)	–
HBT Trustee-Manager's acquisition fee	–	–	(132)	–
Valuation fees	(56)	(185)	(198)	(170)
Depreciation, amortisation and impairment losses	(2,143)	(16,938)	(15,230)	(2,825)
Other trust expenses	(636)	(2,294)	(4,290)	(1,712)
Finance income	302	141	332	1,120
Finance costs	(11,277)	(33,057)	(22,626)	(17,560)
Net finance costs	(10,975)	(32,916)	(22,294)	(16,440)
Net income before fair value adjustment	18,725	71,969	81,786	106,242
Net fair value gain/(loss) on investment properties	–	(21,623)	(30,221)	17,639
Net income before tax	18,725	50,346	51,565	123,881
Tax expense	(1,101)	(1,014)	(874)	(1,425)
Total return	17,624	49,332	50,691	122,456
Distribution Statement				
Total return of H-REIT	28,357	14,713	36,240	108,149
Total return of HBT	409	4,253	1,105	–
Net tax adjustments	(1,940)	86,564	71,613	11,366
	26,826	105,530	108,958	119,515
Less: Amount retained for working capital	(2,683)	(10,553)	(10,896)	(11,952)
Add: Capital distribution	–	4,147	1,130	–
Amount available for distribution for the current period/year	24,143	99,124	99,192	107,563
DPS (cents)	2.42	10.00	10.06	10.98
Adjusted DPS (cents) ⁽¹⁾	2.32	9.60	9.66	10.54
Pro Forma DPS (cents) ⁽²⁾	–	9.43	–	–
Basic EPS (cents)	1.77	4.98	5.15	12.52
Adjusted Basic EPS (cents) ⁽¹⁾	1.70	4.78	5.70	12.02
Diluted EPS (cents)	1.76	4.95	5.15	12.52
Adjusted Diluted EPS (cents) ⁽¹⁾	1.69	4.75	5.70	12.02

Notes:

- (1) This has been adjusted to reflect the bonus element in the Rights Stapled Securities.
- (2) Adjusted for the pro forma financial effects of the Transactions, as if the Transactions were completed on 1 January 2016 and taking into account 199,545,741 Rights Stapled Securities.

STATEMENT OF FINANCIAL POSITION

	Unaudited 31 March 2017 S\$'000	Audited 31 December 2016 S\$'000
ASSETS		
Non-current assets		
Property, plant and equipment	252,001	244,361
Investment properties	2,174,826	2,175,008
Prepaid land lease	6,450	6,817
Other receivables	149	–
	2,433,426	2,426,186
Current assets		
Inventories	1,001	1,053
Trade and other receivables	18,221	25,704
Financial derivative assets	134	171
Cash and cash equivalents	57,677	82,228
	77,033	109,156
Total assets	2,510,459	2,535,342
LIABILITIES		
Non-current liabilities		
Loans and borrowings	920,439	928,849
Rental deposits	8,832	8,981
Deferred tax liabilities	17,593	15,115
	946,864	952,945
Current liabilities		
Trade and other payables	32,661	33,433
Financial derivative liabilities	80	336
Provision for taxation	3,051	2,207
	35,792	35,976
Total liabilities	982,656	988,921
Net assets	1,527,803	1,546,421
Represented by:		
Unitholders' funds	1,527,803	1,546,421
Stapled Securities in issue and to be issued ('000)	998,714	996,866
NAV per Stapled Security (\$)	1.5298	1.5513
Adjustment made for Rights Issue only⁽¹⁾		
Stapled Securities in issue and to be issued ('000)	1,198,260	1,196,412
NAV per Stapled Security (\$)	1.48	1.50
Pro Forma⁽²⁾		
Stapled Securities in issue and to be issued ('000)		1,196,412
NAV per Stapled Security (\$)		1.49

Notes:

- (1) Adjusted on the assumption that (i) the Rights Issue was completed on the last day of the respective period (being 31 March 2017 and 31 December 2016 respectively), and taking into account the use of proceeds from the Rights Issue and (ii) 199,545,741 Rights Stapled Securities were issued.
- (2) Adjusted for the pro forma financial effects of the Transactions, as if the Transactions were completed on 31 December 2016 and taking into account 199,545,741 Rights Stapled Securities.

STATEMENT OF CASH FLOWS

	Unaudited 1Q2017 S\$'000	Audited FY2016 S\$'000
Operating activities		
Net income before tax	18,725	50,346
Adjustments for:		
H-REIT Manager's/HBT Trustee-Manager's fee paid/payable in Stapled Securities	2,591	10,281
Depreciation of property, plant and equipment	2,075	8,586
Amortisation of prepaid land lease	68	272
Impairment loss on property, plant and equipment	–	7,330
Impairment loss on prepaid land lease	–	750
Impairment loss on trade receivables	66	376
Net fair value loss on investment properties	–	21,623
Net finance costs	10,975	32,916
Operating income before working capital changes	34,500	132,480
Changes in working capital:		
Inventories	13	246
Trade and other receivables	6,135	(6,357)
Trade and other payables	(318)	7,871
Cash generated from operating activities	40,330	134,240
Tax paid	(90)	(769)
Net cash generated from operating activities	40,240	133,471
Investing activities		
Capital expenditure on investment properties	(2,359)	(14,204)
Additions to property, plant and equipment and prepaid land lease	(514)	(3,994)
Interest received	80	148
Cash used in investing activities	(2,793)	(18,050)
Financing activities		
Proceeds from bank loans	–	223,612
Repayment of bank loans	(1,579)	(207,422)
Payment of transaction costs related to bank loans	(8)	(1,214)
Finance costs paid	(4,902)	(22,368)
Distribution to holders of Stapled Securities	(55,094)	(97,214)
Movement in restricted cash	468	(11)
Cash generated used in financing activities	(61,115)	(104,617)
Net (decrease)/increase in cash and cash equivalents	(23,668)	10,804
Cash and cash equivalents at beginning of the period/year	80,772	70,597
Effect of exchange rate changes on cash and cash equivalents	(439)	(629)
Cash and cash equivalents at end of the period/year	56,665	80,772

**PROCEDURES FOR ACCEPTANCE, PAYMENT, RENUNCIATION AND
APPLICATION FOR RIGHTS STAPLED SECURITIES AND/OR
EXCESS RIGHTS STAPLED SECURITIES BY
ELIGIBLE STAPLED SECURITYHOLDERS**

1. INTRODUCTION

- 1.1** Eligible Stapled Securityholders are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM shall, where the Eligible Stapled Securityholder is a Depository Agent, be taken to include an application made via the SGX-SSH Service.
- 1.2** The Rights Entitlements are governed by the terms and conditions of this Offer Information Statement, (if applicable) the H-REIT Trust Deed, the HBT Trust Deed, the Stapling Deed and the instructions in the ARE.

The number of Rights Entitlements allotted to each Eligible Stapled Securityholder is indicated in the ARE (fractional entitlements (if any) having been disregarded). The Securities Accounts of Eligible Stapled Securityholders have been credited by CDP with the Rights Entitlements as indicated in the ARE. Eligible Stapled Securityholders may accept their Rights Entitlements in full or in part and are eligible to apply for Excess Rights Stapled Securities under the Rights Issue. Full instructions for the acceptance of and payment for the Rights Entitlements and payment for Excess Rights Stapled Securities are set out in the Offer Information Statement as well as the ARE.

- 1.3** If an Eligible Stapled Securityholder wishes to accept his Rights Entitlements specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Stapled Securities in addition to the Rights Entitlements allotted to him, he may do so by completing and signing the relevant sections of the ARE or by way of an Electronic Application. An Eligible Stapled Securityholder should ensure that the ARE is accurately completed and signed, failing which the acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities may be rejected.

For and on behalf of the Managers, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the "Free Balance" of the relevant Securities Account is not credited with, or is credited with less than, the relevant number of Rights Stapled Securities accepted as at the last date and time for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or the Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST, as the case may be, (in each case) AT HIS/THEIR OWN RISK or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

AN ELIGIBLE STAPLED SECURITYHOLDER MAY ACCEPT HIS RIGHTS ENTITLEMENTS SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS STAPLED SECURITIES EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK AS DESCRIBED BELOW. WHERE AN ELIGIBLE STAPLED SECURITYHOLDER IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SSH SERVICE.

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS and/or any other application form for the Rights Stapled Securities and/or Excess Rights Stapled Securities in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS and/or any other application form for the Rights Stapled Securities and/or Excess Rights Stapled Securities in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or is accompanied by an improperly or insufficiently drawn remittance, the Managers and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Managers and CDP shall be entitled to process each application submitted for the acceptance of Rights Stapled Securities, and where applicable, application of Excess Rights Stapled Securities in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Eligible Stapled Securityholder, on its own, without regard to any other application and payment that may be submitted by the same Eligible Stapled Securityholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for Excess Rights Stapled Securities.

- 1.4 SRS investors who had purchased Stapled Securities using their SRS Accounts and who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such Stapled Securityholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities on their behalf. Such Stapled Securityholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and/or apply for Excess Rights Stapled Securities. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application made directly through CDP, Electronic Applications at ATMs of the Participating Banks, the Stapled Security Registrar and/or the Managers will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the Rights Entitlements directly from the market.**

- 1.5 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Eligible Stapled Securityholders or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. MODE OF ACCEPTANCE AND APPLICATION

2.1 Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications through ATMs to accept the Rights Entitlements or (if applicable) to apply for Excess Rights Stapled Securities will appear on the ATM screens of the respective Participating Banks. Please refer to **Appendix C** of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

IF AN ELIGIBLE STAPLED SECURITYHOLDER OR PURCHASER MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ELIGIBLE STAPLED SECURITYHOLDER OR PURCHASER WHO HAS ACCEPTED THE RIGHTS ENTITLEMENTS BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS STAPLED SECURITIES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE MANAGERS AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE MANAGERS AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.

2.2 Acceptance/Application through CDP

If the Eligible Stapled Securityholder wishes to accept the Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities through CDP, he must:

- (a) complete and sign the ARE. In particular, he must state in Part C(i) of the ARE the total number of Rights Stapled Securities provisionally allotted to him which he wishes to accept and the number of Excess Rights Stapled Securities applied for and in Part C(ii) of the ARE the 6 digits of the Cashier's Order/Banker's Draft; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Stapled Securities accepted and (if applicable) Excess Rights Stapled Securities applied for:
 - (i) by hand to **M&C REIT MANAGEMENT PTE. LTD., AS MANAGER OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND M&C BUSINESS TRUST MANAGEMENT PTE. LTD., AS TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588;** or

- (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **M&C REIT MANAGEMENT PTE. LTD., AS MANAGER OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND M&C BUSINESS TRUST MANAGEMENT PTE. LTD., AS TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147,**

in each case so as to arrive not later than **5.00 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers).

The payment for the relevant number of Rights Stapled Securities accepted and (if applicable) Excess Rights Stapled Securities applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or a Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – CDL HTRUST RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Eligible Stapled Securityholder clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

FOR SRS INVESTORS AND INVESTORS WHO HOLD STAPLED SECURITIES THROUGH FINANCE COMPANIES OR DEPOSITORY AGENTS, ACCEPTANCES OF THE RIGHTS STAPLED SECURITIES AND (IF APPLICABLE) APPLICATIONS FOR EXCESS RIGHTS STAPLED SECURITIES MUST BE DONE THROUGH THE RELEVANT APPROVED BANKS IN WHICH THEY HOLD THEIR SRS ACCOUNTS AND THE RESPECTIVE FINANCE COMPANIES OR DEPOSITORY AGENTS, RESPECTIVELY. SUCH INVESTORS ARE ADVISED TO PROVIDE THEIR RESPECTIVE BANKS IN WHICH THEY HOLD THEIR SRS ACCOUNTS, FINANCE COMPANIES OR DEPOSITORY AGENTS, AS THE CASE MAY BE, WITH THE APPROPRIATE INSTRUCTIONS NO LATER THAN THE DEADLINES SET BY THEM IN ORDER FOR SUCH INTERMEDIARIES TO MAKE THE RELEVANT ACCEPTANCE AND (IF APPLICABLE) APPLICATION ON THEIR BEHALF BY THE CLOSING DATE. ANY ACCEPTANCE AND/OR APPLICATION MADE DIRECTLY THROUGH CDP, ELECTRONIC APPLICATIONS AT ATMS OF PARTICIPATING BANKS, THE STAPLED SECURITY REGISTRAR AND/OR THE MANAGERS WILL BE REJECTED.

WHERE AN ELIGIBLE STAPLED SECURITYHOLDER IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SSH SERVICE.

2.3 Acceptance through the SGX-SSH Service (for Depository Agents only)

Depository Agents may accept Rights Stapled Securities and (if applicable) apply for Excess Rights Stapled Securities through the SGX-SSH Service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Managers to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and the Offer Information Statement as if the ARE had been completed and submitted to CDP.

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the Rights Entitlements accepted by the Eligible Stapled Securityholder and (if applicable) the Excess Rights Stapled Securities applied for by the Eligible Stapled Securityholder, the attention of the Eligible Stapled Securityholder is drawn to paragraphs 1.3 and 5.2 of this **Appendix B** which set out the circumstances and manner in which the Managers and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Managers' behalf whether under the ARE, the ARS or any other application form for Rights Stapled Securities in relation to the Rights Issue.

2.5 Acceptance of Part of Rights Entitlements and Trading of Rights Entitlements

An Eligible Stapled Securityholder may choose to accept his Rights Entitlements specified in the ARE in full or in part. If an Eligible Stapled Securityholder wishes to accept part of his Rights Entitlements and trade the balance of his Rights Entitlements on the SGX-ST, he should:

- (a) complete and sign the ARE for the number of Rights Entitlements which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or
- (b) accept and subscribe for that part of his Rights Entitlements by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his Rights Entitlements may be sold as soon as dealings therein commence on the SGX-ST.

Eligible Stapled Securityholders who wish to trade all or part of their Rights Entitlements on the SGX-ST during the Rights Entitlements trading period should note that the Rights Entitlements will be tradable in board lots of 1 Rights Entitlement or 100 Rights Entitlements. Such Eligible Stapled Securityholders may start trading in their Rights Entitlements as soon as dealings therein commence on the SGX-ST. Eligible Stapled Securityholders who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the Rights Entitlements trading period.

2.6 Sale of Rights Entitlements

The ARE need not be forwarded to the purchasers of the Rights Entitlements ("**Purchasers**") as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Managers, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as recorded with CDP. Purchasers should ensure that their ARS are accurately completed and signed, failing which their acceptances of the Rights Entitlements may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement, may obtain the same from CDP, for the period up to **5.00 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers). Purchasers should also note that if they make any purchase on or around the last trading day of the nil-paid Rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Stapled Securities. You may obtain a copy from CDP. Alternatively, you may accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are outside Singapore (“**Foreign Purchasers**”). Subject to compliance with applicable laws, Foreign Purchasers who wish to accept the Rights Entitlements credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH RIGHTS ENTITLEMENTS ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS ENTITLEMENTS REPRESENTED BY THE RIGHTS ENTITLEMENTS PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE RIGHTS ENTITLEMENTS ON THEIR BEHALF.

2.7 Renunciation of Rights Entitlements

Eligible Stapled Securityholders who wish to renounce in full or in part their Rights Entitlements in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of Rights Entitlements which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three Market Days to effect such renunciation, Eligible Stapled Securityholders who wish to renounce their Rights Entitlements are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Managers, to the renounee by ordinary post and at his own risk, to his Singapore address as maintained in the records of CDP, and for the renounee to accept his Rights Entitlements. The last date and time for acceptance of the Rights Entitlements and payment for the Rights Stapled Securities by the renounee is **5.00 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers).

2.8 Acceptance/Application using SRS Funds

Stapled Securityholders with SRS Accounts must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS Accounts to pay for the acceptance of their Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities.

Such Stapled Securityholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities using SRS monies will need to instruct the relevant SRS Bank to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities on their behalf and make sure that they have sufficient funds in their SRS Accounts to pay for the number of Rights Stapled Securities (including, if applicable, the Excess Rights Stapled Securities) for which they intend to subscribe. They may also partially accept their Rights Entitlements and/or instruct their respective brokers to sell their Rights Entitlements held under their SRS Accounts during the Rights Entitlements trading period on the SGX-ST.

Stapled Securityholders who have insufficient funds in their SRS Accounts to fully accept their Rights Entitlements and/or apply for Excess Rights Stapled Securities and who have:

- (a) **not reached their SRS contribution cap** may, subject to the SRS contribution cap, deposit cash into their SRS Accounts and (i) instruct their respective SRS Banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities on their behalf, to the extent of the funds available in their SRS Accounts, and/or (ii) to the extent that there are insufficient funds in their SRS Accounts after the said deposit to fully accept their Rights Entitlements, instruct their respective brokers to sell their Rights Entitlements during the Rights Entitlements trading period on the SGX-ST.
- (b) **reached their SRS contribution cap** may instruct their respective SRS Banks to (i) accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities to the extent of the funds available in their SRS Accounts, and/or (ii) to the extent that there are insufficient funds in their SRS Accounts to fully accept their Rights Entitlements, instruct their respective brokers to sell their Rights Entitlements during the Rights Entitlements trading period on the SGX-ST.

If a Stapled Securityholder instructs the relevant SRS Bank to subscribe for Rights Stapled Securities and (if applicable) apply for Excess Rights Stapled Securities offered under the Rights Issue and he does not have sufficient funds in his SRS Account to pay for the number of Rights Stapled Securities which he intends to subscribe, his acceptance of Rights Entitlements under the Rights Issue and, if applicable, application for Excess Rights Stapled Securities will be made in part to the extent of the funds available in his SRS Account with the balance rejected.

SRS monies may not be used for the purchase of Rights Entitlements directly from the market.

Any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities made by the above-mentioned Stapled Securityholders directly through CDP, Electronic Applications at ATMs of the Participating Banks, the Stapled Security Registrar and/or the Managers will be rejected.

2.9 Acceptance/Application via Finance Company and/or Depository Agent

Stapled Securityholders who hold Stapled Securities through a finance company and/or Depository Agent must instruct the relevant finance company and/or Depository Agent to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities on their behalf in accordance with this Offer Information Statement.

Any acceptance and (if applicable) application made by the above-mentioned Stapled Securityholders directly through CDP, Electronic Applications at ATMs of Participating Banks, the Stapled Security Registrar and/or the Managers will be rejected.

2.10 Return of Surplus Application Monies

In the case of applications for Excess Rights Stapled Securities, if no Excess Rights Stapled Securities are allotted to an Eligible Stapled Securityholder or if the number of Excess Rights Stapled Securities allotted to an Eligible Stapled Securityholder is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to the Eligible Stapled Securityholder without interest or any share of revenue or other benefit arising therefrom within three business days after

commencement of trading of the Rights Stapled Securities, at the Eligible Stapled Securityholder's own risk by any one or a combination of the following: (i) by crediting the Eligible Stapled Securityholder's bank account with the relevant Participating Bank if the Eligible Stapled Securityholder accepts and (if applicable) applies through an ATM of a Participating Bank, the receipt by such bank being a good discharge to the Managers and CDP of their obligations, if any, thereunder; or (ii) by means of a crossed cheque drawn on a bank in Singapore and sent BY ORDINARY POST AT THE ELIGIBLE STAPLED SECURITYHOLDER'S OWN RISK to the Eligible Stapled Securityholder's mailing address as recorded with CDP or in such other manner as the Eligible Stapled Securityholder may have agreed with CDP for the payment of any cash distributions, if the Eligible Stapled Securityholder accepts and (if applicable) applies through CDP.

3. COMBINATION APPLICATION

In the event that the Eligible Stapled Securityholder or the Purchaser accepts the Rights Stapled Securities by way of the ARE and/or the ARS and/or has applied for Excess Rights Stapled Securities by way of the ARE and also by way of Electronic Application(s), the Managers and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Managers and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Eligible Stapled Securityholder or the Purchaser shall be regarded as having irrevocably authorised the Managers and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Entitlements and/or application for Excess Rights Stapled Securities (including an Electronic Application(s)) in whichever mode or combination as the Managers and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF 20 RIGHTS STAPLED SECURITIES FOR EVERY 100 EXISTING STAPLED SECURITIES AT AN ISSUE PRICE OF S\$1.280)

As an illustration, if an Eligible Stapled Securityholder has 1,000 Stapled Securities standing to the credit of his Securities Account as at the Rights Issue Books Closure Date, the Eligible Stapled Securityholder will be provisionally allotted 200 Rights Stapled Securities as set out in his ARE. The Eligible Stapled Securityholder's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives Procedures to be taken

Alternatives

Procedures to be taken

(a) Accept in full his Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities

By way of Electronic Application

(1) Accept in full his 200 Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers); or

Alternatives

Procedures to be taken

Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance in full of his 200 Rights Entitlements and (if applicable) the number of Excess Rights Stapled Securities applied for and forward the signed ARE together with a single remittance for S\$256.00 (or, if applicable, such higher amount in respect of the total number of Rights Stapled Securities accepted and Excess Rights Stapled Securities applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to **"CDP – CDL HTRUST RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** for the full amount due on acceptance and (if applicable) application, by hand to **M&C REIT MANAGEMENT LIMITED, AS MANAGER OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND M&C BUSINESS TRUST MANAGEMENT LIMITED, AS TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, **AT HIS OWN RISK**, in the enclosed self-addressed envelope provided to **M&C REIT MANAGEMENT LIMITED, AS MANAGER OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND M&C BUSINESS TRUST MANAGEMENT LIMITED, AS TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers), and with the name and Securities Account number of the Eligible Stapled Securityholder clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A

Alternatives

Procedures to be taken

PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

- (b) Accept a portion of his Rights Entitlements, for example 100 of his 200 Rights Entitlements, not apply for Excess Rights Stapled Securities and trade the balance on the SGX-ST

By way of Electronic Application

- (1) Accept 100 of his 200 Rights Entitlements by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers); or

Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his 100 of his 200 Rights Entitlements, and forward the signed ARE, together with a single remittance for S\$128.00 in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers). The balance of the 100 Rights Entitlements which are not accepted by the Eligible Stapled Securityholder may be traded on the SGX-ST during the Rights Entitlements trading period. **Eligible Stapled Securityholders should note that the Rights Entitlements will be tradable in the ready market, with each board lot comprising 1 Rights Entitlement or 100 Rights Entitlements. Eligible Stapled Securityholders who wish to trade in other lot sizes can do so on the SGX-ST's Unit Share Market during the Rights Entitlements trading period.**

- (c) Accept a portion of his Rights Entitlements, for example 100 of his 200 Rights Entitlements, and reject the balance.

By way of Electronic Application

- (1) Accept 100 of his 200 Rights Entitlements by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers); or

Alternatives

Procedures to be taken

Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his 100 of his 200 Rights Entitlements, and forward the original signed ARE, together with a single remittance for S\$128.00 in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers).

The balance of his 100 Rights Entitlements which is not accepted by the Eligible Stapled Securityholder will automatically lapse and become void, and cease to be available for acceptance by that Eligible Stapled Securityholder if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 24 July 2017**, or if an acceptance is not made through CDP by **5.00 p.m. on 24 July 2017**.

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

The last time and date for acceptance of Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities under the Rights Issue and payment therefor is:

- (A) **9.30 p.m. on 24 July 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers) if an acceptance of the Rights Entitlements and (if applicable) an application for Excess Rights Stapled Securities and payment is made through an ATM of a Participating Bank; or**
- (B) **5.00 p.m. on 24 July 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers) if an acceptance of the Rights Entitlements and (if applicable) an application for Excess Rights Stapled Securities and payment is made through CDP or SGX-SSH Service.**

If acceptance of Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities and payment in the prescribed manner as set out in this Offer Information Statement, the ARE or the ARS (as the case may be) is not received through an ATM of a Participating Bank by **9.30 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers) or through CDP by **5.00 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers) from any Eligible Stapled Securityholder or Purchaser, the Rights Entitlements shall be deemed to have been declined and shall forthwith lapse and become void, and such Rights Entitlements not so accepted will be used to satisfy applications for Excess Rights Stapled Securities, if any, or be otherwise dealt with in such manner as the Managers may, in their absolute discretion,

deem fit, in the interests of CDLHT. All monies received in connection therewith will be returned by CDP for and on behalf of the Managers to the Eligible Stapled Securityholders or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ELIGIBLE STAPLED SECURITYHOLDER'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP.

IF ANY ELIGIBLE STAPLED SECURITYHOLDER OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

5.2 Appropriation

Without prejudice to paragraph 1.3 of this Appendix, an Eligible Stapled Securityholder should note that:

- (a) by accepting his Rights Entitlements and/or applying for Excess Rights Stapled Securities, he acknowledges that, in the case where the amount of remittance payable to the Managers in respect of his acceptance of the Rights Entitlements and (if applicable) in respect of his application for Excess Rights Stapled Securities as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Stapled Securities differs from the amount actually received by CDP, the Managers and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Managers' behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Stapled Securities as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Stapled Securities; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Stapled Securities. The determination and appropriation by the Managers and CDP shall be conclusive and binding;
- (b) if he has attached a remittance to the ARE, the ARS and/or any other application form for Rights Stapled Securities made through CDP, he would have irrevocably authorised the Managers and CDP, in applying the amounts payable for his acceptance of the Rights Stapled Securities and (if applicable) his application for Excess Rights Stapled Securities, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Stapled Securities made through CDP; and
- (c) in the event that the Eligible Stapled Securityholder accepts the Rights Stapled Securities provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for Excess Rights Stapled Securities by way of the ARE and also by way of Electronic Application(s), the Managers and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Managers and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Eligible Stapled Securityholder shall be deemed as having irrevocably authorised the Managers and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Rights Stapled Securities (including an Electronic Application) in whichever mode or combination as the Managers and/or CDP may, in their/its absolute discretion, deem fit.

5.3 Availability of Excess Rights Stapled Securities

The Excess Rights Stapled Securities available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the H-REIT Trust Deed, the HBT Trust Deed and the Stapling Deed. Applications for Excess Rights Stapled Securities will, at the Directors' absolute discretion, be satisfied from such Rights Stapled Securities as are not validly taken up by the Eligible Stapled Securityholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the Rights Entitlements together with the aggregated fractional entitlements to the Rights Stapled Securities, any unsold Rights Entitlements (if any) of Foreign Stapled Securityholders and any Rights Stapled Securities that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Managers for more Excess Rights Stapled Securities than are available, the Excess Rights Stapled Securities available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Managers. In the allotment of Excess Rights Stapled Securities, preference will be given to the rounding of odd lots (if any) followed by allotment to the Stapled Securityholders who are neither directors of the Managers nor Substantial Stapled Securityholders. Directors and Substantial Stapled Securityholders who have control or influence over CDLHT or the Managers in connection with the day-to-day affairs of CDLHT or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Stapled Securities. The Managers reserve the right to refuse any application for Excess Rights Stapled Securities, in whole or in part, without assigning any reason whatsoever therefor. In the event that the number of Excess Rights Stapled Securities allotted to an Eligible Stapled Securityholder is less than the number of Excess Rights Stapled Securities applied for, the Eligible Stapled Securityholder shall be deemed to have accepted the number of Excess Rights Stapled Securities actually allotted to him. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.**

If no Excess Rights Stapled Securities are allotted or if the number of Excess Rights Stapled Securities allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to such Eligible Stapled Securityholders, without interest or any share of revenue or other benefit arising therefrom, within three business days after commencement of trading of the Rights Stapled Securities, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Stapled Securities by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Managers and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for Excess Rights Stapled Securities through CDP).

5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of Rights Entitlements is made by the Eligible Stapled Securityholders or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Stapled Securities is effected by **9.30 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers); or
- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Stapled Securities accepted and (if applicable) Excess Rights Stapled Securities applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – CDL HTRUST RIGHTS ISSUE ACCOUNT**" for the Rights Stapled Securities and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Eligible Stapled Securityholders or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by hand to **M&C REIT MANAGEMENT LIMITED, AS MANAGER OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND M&C BUSINESS TRUST MANAGEMENT LIMITED, AS TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **M&C REIT MANAGEMENT LIMITED, AS MANAGER OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND M&C BUSINESS TRUST MANAGEMENT LIMITED, AS TRUSTEE-MANAGER OF CDL HOSPITALITY BUSINESS TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers); or
- (c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment (where applicable) in Singapore currency by way of telegraphic transfer by the Depository Agent(s) for the Rights Stapled Securities is effected by **5.00 p.m. on 24 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Managers),

the Rights Entitlements will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All monies received in connection therewith will be returned to the Eligible Stapled Securityholders or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ELIGIBLE STAPLED SECURITYHOLDERS' OR PURCHASERS' OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5 Confirmation Note

A confirmation note confirming the date of issue and the number of Rights Stapled Securities issued will be issued by the Managers or the agent appointed by the Managers to CDP. Upon crediting of the Rights Stapled Securities and Excess Rights Stapled Securities, CDP will send to Eligible Stapled Securityholders and/or Purchasers, **BY ORDINARY POST AND AT THEIR OWN RISK**, notification letters showing the number of Rights Stapled Securities and Excess Rights Stapled Securities credited to their Securities Accounts.

5.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Stapled Securities provisionally allotted and credited to an Eligible Stapled Securityholder's Securities Account. An Eligible Stapled Securityholder can verify the number of Rights Stapled Securities provisionally allotted and credited to his Securities Account online if he has registered for CDP Internet Access or through CDP Automated Phone Services Hotline number (65) 6535-7511 using his telephone pin ("**T-Pin**"). Alternatively, an Eligible Stapled Securityholder may proceed personally to CDP with his identity card or passport to verify the number of Rights Stapled Securities provisionally allotted and credited to his Securities Account.

It is the responsibility of an Eligible Stapled Securityholder and/or Purchaser to ensure that the ARE and/or ARS is accurately completed in all respects and signed. The Managers and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Managers accept any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS STAPLED SECURITIES IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post or deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. An Eligible Stapled Securityholder can check the status of his acceptance of Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities through CDP Automated Phone Services Hotline number (65) 6535-7511 using his T-Pin.

CDP Phone User Guide

1. Dial (65) 6535-7511.
2. Press '1' for English; Press '2' Mandarin.
3. Press '1' for 'All CDP account related queries'.
4. Press '3' for 'Corporate Actions Announcement and Transactions'.
5. Press '2' for your rights application status.

6. Enter your 12 digit CDP securities account number.
7. Enter your 6 digit telephone pin.

All communications, notices, documents and remittances to be delivered or sent to an Eligible Stapled Securityholder and/or Purchaser will be sent **BY ORDINARY POST** to his mailing address as maintained in the records of CDP, **AT HIS OWN RISK**.

5.7 Personal Data Privacy

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, an Eligible Stapled Securityholder or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Participating Banks, the Stapled Security Registrar, Securities Clearing and Computer Services (Pte) Ltd, CDP, the SGX-ST, the Managers and the Lead Manager and Underwriter (the “**Relevant Persons**”) for the purpose of facilitating his application for the Rights Stapled Securities, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”); (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

PROCEDURE TO COMPLETE THE ARE/ARS

1. Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Stapled Securities currently held by you **XX,XXX**

This is your Stapled Securityholdings as at Rights Issue Books Closure Date.

Stapled Securities as at 5.00 p.m. on 5 July 2017
(Rights Issue Books Closure Date)

This is the date to determine your Rights Entitlements.

Number of Rights Stapled Securities provisionally allotted* **XX,XXX**

This is your number of Rights Entitlements.

Issue Price **S\$1.280** per Rights Stapled Securities

This is price that you need to pay when you subscribe for one Rights Stapled Security.

2. Select your application options

B. SELECT YOUR APPLICATION OPTIONS

1. ATM Follow the procedures set out on the ATM screen and submit your application through an ATM of a Participating Bank by **9.30 p.m. on 24 July 2017**

This is the last date and time to subscribe for the Rights Stapled Securities through ATM and CDP.

Participating Banks are **DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited**

You can apply your rights shares through ATMs of these participating banks.

2. Mail Complete the section below and submit this form to CDP by **5.00 p.m. on 24 July 2017**

(i) Only BANKER'S DRAFT/CASHIER'S ORDER payable to "**CDP-CDL HTRUST RIGHTS ISSUE ACCOUNT**" will be accepted

(ii) Applications using a **PERSONAL CHEQUE, POSTAL ORDER or MONEY ORDER** will be rejected

(iii) Write your name and securities account number in block letters clearly on the back of the Banker's Draft/Cashier's Order

This is the payee name to be issued on your Cashier's Order.

Note: Please refer to the ARE/ARS for the actual holdings, entitlements, Record Date, Issue Price, Closing Date for subscription, list of participating ATM banks and payee name on the Cashier's Order.

Declaration

C. DECLARATION

Please read the instructions overleaf and fill in the blanks below accordingly.

i. Total Number of Rights Stapled Securities Applied For:
(Provisionally Allotted Rights Stapled Securities + Excess Rights Stapled Securities)

, , ,

ii. Cashier's Order/Banker's Draft Details:**
(Input 6 digits of CO/BD)

For guidance on completing this form, please refer to Appendix B of the Offer Information Statement (Procedure to Complete the ARE/ARS).

_____ Date

Signature of Eligible Stapled Securityholder(s)

Fill in the total number of the Rights Stapled Securities and Excess Rights Stapled Securities (for ARE)/ number of Rights Stapled Securities (for ARS) that you wish to subscribe within the boxes.

Fill in the 6 digits of the CO/BD number (eg. 001764) within the boxes.

Sign within the box.

Notes:

- (i) If the total number of Rights Stapled Securities applied exceeds the provisional allotted holdings in your CDP Securities Account as at Closing Date, the remaining application will be put under excess and subjected to the excess allocation basis.
- (ii) The total number of Rights Stapled Securities applied will be based on cash amount stated in your Cashier's Order/Banker's Draft. The total number of Rights Stapled Securities will be appropriated accordingly if the applied quantity exceeds this amount.
- (iii) Please note to submit one Cashier's Order per application form.

3. Sample of a Cashier's Order

CASHIER'S ORDER

DATE
DD / MM / YY

PAY CDP - RIGHTS ISSUE ACCOUNT

SINGAPORE DOLLARS ****SEVEN THOUSAND SIX HUNDRED ONLY****

OR ORDER
S\$ 7,600.00

BANK REF. : 0105085000052 S1

VALID FOR SIX MONTHS ONLY FROM DATE OF ISSUE

⑈ 00 176 ⑈ 7 1 7 ⑈ 10 51 10 50 999997 ⑈

ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS

The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Banks (the “**Electronic Application Steps**”). Please read carefully the terms and conditions set out in this Offer Information Statement, the Electronic Application Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept Rights Stapled Securities and (if applicable) apply for Excess Rights Stapled Securities at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Eligible Stapled Securityholders who have subscribed for or purchased Stapled Securities under the SRS or through a finance company and/or Depository Agent can only accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities by instructing the respective approved banks in which they hold their SRS Accounts, finance company and/or Depository Agent to do so on their behalf. ANY APPLICATION MADE BY THE ABOVEMENTIONED ELIGIBLE STAPLED SECURITYHOLDERS DIRECTLY THROUGH CDP OR THROUGH ATMS WILL BE REJECTED. Such Eligible Stapled Securityholders who have insufficient funds in their SRS Accounts may deposit cash into SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Stapled Securities. SRS monies may not be used for the purchase of Rights Entitlements from the market.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities liable to be rejected.

Such Eligible Stapled Securityholders, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved bank, finance company and/or Depository Agent.

All references to “Rights Issue” and “Rights Application” on the ATM screens of the Participating Banks shall mean the offer of Rights Stapled Securities under the Rights Issue and the acceptance of Rights Entitlements and (if applicable) the application for Excess Rights Stapled Securities, respectively. All references to “Document” on the ATM screens of the Participating Banks shall mean this Offer Information Statement.

Any reference to the “Applicant” in the terms and conditions for Electronic Applications and the Electronic Application Steps shall mean the Eligible Stapled Securityholder or the Purchaser who accepts his Rights Entitlements and (if applicable) applies for Excess Rights Stapled Securities through an ATM of a Participating Bank.

An Applicant must have an existing bank account with and be an ATM cardholder of one of the Participating Banks before he can make an Electronic Application at the ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks.

Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the “**Transaction Slip**”), confirming the details of his Electronic Application. The Transaction Slip is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

Any application made directly by the above-mentioned Stapled Securityholders to CDP or through ATMs will be rejected.

The Electronic Applications shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

- (1) In connection with his Electronic Application, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of his Rights Stapled Securities and (if applicable) application for Excess Rights Stapled Securities under the Rights Issue prior to effecting the Electronic Application and agrees to be bound by the same; and
 - (b) that he authorises CDP to give, provide, divulge, disclose or reveal information pertaining to his Securities Account maintained in CDP’s record, including, without limitation, his name(s), his NRIC number(s) or passport number(s), Securities Account number(s), address(es), the number of Stapled Securities standing to the credit of his Securities Account, the number of Rights Entitlements allotted to him, his acceptance and (if applicable) application for Excess Rights Stapled Securities and any other information (the “**Relevant Particulars**”) to the Managers and any other relevant parties (the “**Relevant Parties**”) as CDP may deem fit for the purpose of the Rights Issue and his acceptance and (if applicable) application.

His acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities will not be successfully completed and cannot be recorded as a complete transaction in the ATM unless he presses the “Enter” or “OK” or “Confirm” or “Yes” key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

- (2) An Applicant may make an Electronic Application of an ATM of any Participating Bank for the Rights Entitlement and (if applicable) Excess Rights Stapled Securities using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
- (3) The Applicant irrevocably agrees and undertakes to subscribe for and accept up to the aggregate of the number of Rights Entitlements allotted and Excess Rights Stapled Securities applied for as stated on the Transaction Slip or the number of Rights Stapled Securities standing to the credit of the “Free Balance” of his Securities Account as at the Closing Date. In the event that the Managers decide to allot any lesser number of Excess Rights Stapled Securities or not to allot any number of Excess Rights Stapled Securities to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.

- (4) If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key on the ATM) of the number of Rights Entitlements accepted and (if applicable) Excess Rights Stapled Securities applied for shall signify and shall be treated as his acceptance of the number of Rights Stapled Securities that may be allotted to him and (if applicable) his application for Excess Rights Stapled Securities.
- (5) In the event that the Applicant accepts the Rights Entitlements both by way of the ARE and/or the ARS (as the case may be) through CDP and/or by way of Electronic Application through the ATM of a Participating Bank, the Managers and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of Rights Stapled Securities which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of provisionally allotted Rights Stapled Securities which are standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date, and the aggregate number of Rights Stapled Securities which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank, and the Managers and/or CDP, in determining the number of Rights Stapled Securities which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Stapled Securities, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE and/or the ARS or by way of the acceptance through the Electronic Application through the ATM of a Participating Bank, which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of the Applicant's acceptance.
- (6) If applicable, in the event that the Applicant applies for Excess Rights Stapled Securities both by way of ARE through CDP and by Electronic Application through the ATM of a Participating Bank, the Managers and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as it may, in their/its absolute discretion, deem fit. In determining the number of Excess Rights Stapled Securities which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Stapled Securities not exceeding the aggregate number of Excess Rights Stapled Securities for which he has applied by way of Electronic Application through the ATM of a Participating Bank and by way of ARE through CDP. The Managers and/or CDP, in determining the number of Excess Rights Stapled Securities which the Applicant has given valid instructions for the application, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of Excess Rights Stapled Securities, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE or by way of Electronic Application through an ATM of a Participating Bank, which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's application.
- (7) The Applicant irrevocably requests and authorises the Managers to:
 - (a) register, or procure the registration of the Rights Stapled Securities allotted to the Applicant in the name of CDP for deposit into his Securities Account; and

- (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the full amount or, as the case may be, the balance of the acceptance and/or application monies, should his Electronic Application in respect of the Rights Stapled Securities accepted and (if applicable) Excess Rights Stapled Securities applied for, as the case may be, not be accepted or, as the case may be, be accepted in part only by or on behalf of the Managers for any reason, by automatically crediting the Applicant's bank account with the relevant Participating Bank with the relevant amount within three business days after the commencement of trading of the Rights Stapled Securities.
- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING THE RIGHTS ENTITLEMENTS OR APPLYING FOR EXCESS RIGHTS STAPLED SECURITIES AS A NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Lead Manager and Underwriter and/or the Managers) and any events whatsoever beyond the control of CDP, the Participating Banks, the Lead Manager and Underwriter and/or the Managers and if, in any such event, CDP, the Participating Banks, the Stapled Security Registrar, the Lead Manager and Underwriter and/or the Managers do not record or receive the Applicant's Electronic Application by 9.30 p.m. on 24 July 2017, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Stapled Security Registrar, the Lead Manager and Underwriter and/or the Managers for any purported acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities, or for any compensation, loss or damage in connection therewith or in relation thereto.
- (10) Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays (excluding public holidays) between **7.00 a.m. and 9.30 p.m.**
- (11) Electronic Applications shall close at **9.30 p.m. on 24 July 2017** or such other time as the Managers (in consultation with the Lead Manager and Underwriter) may, in their absolute discretion, deem fit in the interests of CDLHT.
- (12) All particulars of the Applicant in the records of the relevant Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify the relevant Participating Bank.
- (13) The Applicant must have sufficient funds in his bank account(s) with the relevant Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.

- (14) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance and/or application monies will be refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within three business days after commencement of trading of the Rights Stapled Securities. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance and/or application monies will be refunded on the same terms.
- (15) In consideration of the Managers arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 24 July 2017** or such other time or date as the Managers may (in consultation with the Lead Manager and Underwriter), in their absolute discretion, decide, and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document is lodged with the Authority);
 - (b) his Electronic Application, the acceptance thereof by the Managers and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the non-exclusive jurisdiction of the Singapore courts;
 - (c) none of the Managers, the Lead Manager and Underwriter, CDP, the Stapled Security Registrar or the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Managers or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 8 above or to any cause beyond their respective control;
 - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities;
 - (e) in respect of the Rights Entitlements and (if applicable) the Excess Rights Stapled Securities for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Managers and not otherwise, notwithstanding any payment received by or on behalf of the Managers; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application, a person who is not party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained in this Offer Information Statement or the Electronic Application, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

- (16) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Bank are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondences will be sent to his address last registered with CDP.
- (17) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Managers will reject any application by any person acting as nominee.
- (18) In the event that the Applicant accepts the Rights Entitlements, by way of the ARE, the ARS, and/or by way of Electronic Application through ATMs of Participating Banks, the Rights Stapled Securities and/or Excess Rights Stapled Securities will be allotted in such manner as the Managers and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be refunded, without interest or any share of revenue or other benefit arising therefrom, within three business days after the commencement of trading of Rights Stapled Securities by any one or a combination of the following:
- (a) by means of a crossed cheque in Singapore currency sent by **ORDINARY POST AT HIS OWN RISK** to his mailing address as maintained with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions if he accepts and (if applicable) applies through CDP; and
 - (b) by crediting the Applicant's bank account with the Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank a good discharge to the Managers and CDP of their obligations, if any, thereunder.
- (19) The Applicant hereby acknowledges that, in determining the total number of Rights Entitlements which the Applicant can validly accept, the Managers and CDP are entitled and the Applicant hereby authorises the Managers and CDP to take into consideration:
- (a) the total number of Rights Entitlements which the Applicant has validly accepted, whether by way of an ARE, ARS or any other form of application (including an Electronic Application) for the Rights Stapled Securities;
 - (b) the total number of Rights Entitlements allotted to the Applicant and standing to the credit of the "Free Balance" of his Securities Account which is available for acceptance; and
 - (c) the total number of Rights Stapled Securities represented by the Rights Entitlements which has been disposed of by the Applicant.

The Applicant hereby acknowledges that CDP's and the Managers' determination shall be conclusive and binding on him.

- (20) The Applicant irrevocably requests and authorises CDP to accept instructions from the relevant Participating Bank through whom the Electronic Application is made in respect of the Rights Entitlements accepted by the Applicant and (if applicable) the Excess Rights Stapled Securities which the Applicant has applied for, and such instructions shall be binding and conclusive on the Applicant.

- (21) With regard to any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS and/or any other application form for the Rights Stapled Securities in relation to the Rights Issue, or which does not comply with the instructions for Electronic Application, or where the "Free Balance" of the Applicant's Securities Account is credited with less than the relevant number of Rights Stapled Securities subscribed for as at the Closing Date, or in the case of an application by the ARE, the ARS and/or any other application form for the Rights Stapled Securities in relation to the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Managers and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such application and payment or otherwise process all remittances at any time after receipt in such manner as it deems fit.
- (22) The Managers and CDP shall be entitled to process each application submitted for the acceptance of Rights Entitlements and (if applicable) application of Excess Rights Stapled Securities in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application on its own, without regard to any other application and payment that may be submitted by the Applicant. For the avoidance of doubt, insufficient payment for an application submitted for the acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of Rights Entitlements and (if applicable) application for Excess Rights Stapled Securities.

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LIST OF PARTICIPATING BANKS

- DBS Bank Ltd. (including POSB);
- Oversea-Chinese Banking Corporation Limited; and
- United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited.

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In relation to this Offer Information Statement

Dated 5 July 2017

Directors of

M&C REIT Management Limited

(as manager of CDL Hospitality Real Estate Investment Trust)

Mr Wong Hong Ren
Chairman and Non-Executive Director

Mr Vincent Yeo Wee Eng
Chief Executive Officer and Executive
Director

Mr Ronald Seah Lim Siang
Independent Non-Executive Director

Dr Foo Say Mui (Bill)
Lead Independent Director

Mr Kenny Kim
Independent Non-Executive Director

In relation to this Offer Information Statement

Dated 5 July 2017

Directors of

M&C Business Trust Management Pte. Ltd.

(as trustee-manager of CDL Hospitality Business Trust)

Mr Wong Hong Ren
Chairman and Non-Executive Director

Mr Vincent Yeo Wee Eng
Chief Executive Officer and Executive
Director

Mr Ronald Seah Lim Siang
Independent Non-Executive Director

Dr Foo Say Mui (Bill)
Lead Independent Director

Mr Kenny Kim
Independent Non-Executive Director

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