

CIRCULAR DATED 24 MARCH 2022

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

Singapore Exchange Securities Trading Limited (“**SGX-ST**”) takes no responsibility for the accuracy of any statements or opinions made, or reports contained, in this Circular. **If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

If you have sold or transferred all your stapled securities in the stapled group comprising H-REIT and HBT (“**CDLHT**”), you should immediately forward this Circular, together with the Notice of Annual General Meetings and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.



CDL HOSPITALITY TRUSTS

CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST

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

CDL HOSPITALITY BUSINESS TRUST

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

MANAGED BY

**M&C REIT Management Limited
and
M&C Business Trust Management Limited**

CIRCULAR TO SECURITY HOLDERS IN RELATION TO THE PROPOSED DISTRIBUTION REINVESTMENT PLAN

IMPORTANT DATES AND TIMES FOR SECURITY HOLDERS

Last date and time for submission of questions in advance	:	11 April 2022 at 5:00 p.m.
Last date and time for pre-registration and submission of Proxy Forms	:	20 April 2022 at 3:00 p.m.
Date and time of Annual General Meetings held by way of electronic means	:	22 April 2022 at 3:00 p.m.

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CORPORATE INFORMATION

Directors of M&C REIT Management Limited and M&C Business Trust Management Limited

Chan Soon Hee, Eric (Chairman, Independent Non-Executive Director)
Vincent Yeo Wee Eng (Chief Executive Officer and Executive Director)
Ronald Seah Lim Siang (Independent Non-Executive Director and Chairman of the Nominating and Remuneration Committees)
Foo Say Mui (Bill) (Lead Independent Director and Chairman of the Audit and Risk Committees)
Kenny Kim (Independent Non-Executive Director)
Cheah Sui Ling (Independent Non-Executive Director)

Registered office of M&C REIT Management Limited and M&C Business Trust Management Limited

9 Raffles Place
#12-01 Republic Plaza
Singapore 048619

Trustee of CDL Hospitality Real Estate Investment Trust ("H-REIT Trustee")

DBS Trustee Limited
Level 44 DBS Asia Central
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

Legal Adviser to M&C REIT Management Limited, as manager of CDL Hospitality Real Estate Investment Trust ("H-REIT Manager") and M&C Business Trust Management Limited, as trustee-manager of CDL Hospitality Business Trust ("HBT Trustee-Manager")

Allen & Gledhill LLP
One Marina Boulevard
#28-00
Singapore 018989

Legal Adviser to DBS Trustee Limited, as trustee of CDL Hospitality Real Estate Investment Trust

Shook Lin & Bok LLP
1 Robinson Road
#18-00 AIA Tower
Singapore 048542

Stapled Security Registrar and Stapled Security Transfer Office

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
Keppel Bay Tower, #14-07
Singapore 098632

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Vincent Yeo Wee Eng (Chief Executive Officer and Executive Director)
Ronald Seah Lim Siang (Independent Non-Executive Director and Chairman
of the Nominating and Remuneration Committees)
Foo Say Mui (Bill) (Lead Independent Director and Chairman of the
Audit and Risk Committees)
Kenny Kim (Independent Non-Executive Director)
Cheah Sui Ling (Independent Non-Executive Director)

Registered Office

9 Raffles Place
#12-01 Republic Plaza
Singapore 048619

24 March 2022

To: Security Holders of CDLHT

Dear Sir/Madam

1. SUMMARY OF APPROVAL SOUGHT

We refer to the proposed Extraordinary Resolution 4 ("**Extraordinary Resolution 4**") under the "Special Business" section of the notice dated 24 March 2022 convening the annual general meetings of CDL Hospitality Trusts ("**CDLHT**") which is a stapled group comprising CDL Hospitality Real Estate Investment Trust ("**H-REIT**") and CDL Hospitality Business Trust ("**HBT**") to be held by way of electronic means, on Friday, 22 April 2022 at 3:00 p.m..

Extraordinary Resolution 4 relates to the proposed implementation of a distribution reinvestment plan to provide holders ("**Security Holders**") of stapled securities in CDLHT (the "**Stapled Securities**") with an option to make an election to receive distributions in the form of Stapled Securities instead of cash (the "**Distribution Reinvestment Plan**"), together with accompanying amendments (the "**H-REIT DRP Supplement**") to the trust deed constituting H-REIT dated 8 June 2006 (as may be amended from time to time) (the "**H-REIT Trust Deed**") and the accompanying amendments (the "**HBT DRP Supplement**") to the trust deed constituting HBT dated 12 June 2006 (as may be amended from time to time) (the "**HBT Trust Deed**") to amend the timeframe for the payout of distributions from 60 days to 90 days after the end of the distribution period.

2. THE PROPOSED DISTRIBUTION REINVESTMENT PLAN

2.1 Rationale and Purpose

The Distribution Reinvestment Plan, when adopted, will provide an opportunity for Security Holders to make an election to receive distributions in the form of Stapled Securities instead of cash. It will also enable Security Holders to acquire additional Stapled Securities without having to incur brokerage fees, stamp duties (if any) and other transaction costs.

CDLHT will be able to benefit from the participation by Security Holders in the Distribution Reinvestment Plan as, to the extent that Security Holders elect to receive distributions in the form of Stapled Securities, the cash which would otherwise have been payable by way of distributions may be retained for greater financial flexibility where the cash may be used to repay existing borrowings, which will further strengthen CDLHT's balance sheet, or to fund the continuing growth and expansion of CDLHT. The retention of cash and the issue of Stapled Securities pursuant to the Distribution Reinvestment Plan (the "**DRP Stapled Securities**") in lieu of cash distributions under the Distribution Reinvestment Plan will also enlarge CDLHT's capital base, strengthen its working capital reserves and improve the liquidity of Stapled Securities.

2. THE PROPOSED DISTRIBUTION REINVESTMENT PLAN (CONT'D)

2.2 Availability of the Distribution Reinvestment Plan

The Distribution Reinvestment Plan may be applied from time to time, to any distribution declared by CDLHT as 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**", collectively with the H-REIT Manager, the "**Managers**") may determine in their discretion.

An announcement will be made by the Managers as soon as practicable following their determination that the Distribution Reinvestment Plan is to apply to a particular distribution, and in any event, by no later than the day on which the SGX-ST is open for trading in securities (a "**Market Day**") immediately following the date to be determined by the Managers on which the register of Security Holders will be closed for the purpose of determining the entitlements of Security Holders to a distribution (the "**Record Date**") for the distribution.

Notwithstanding any provisions of the Distribution Reinvestment Plan, if at any time after the Managers have determined that the Distribution Reinvestment Plan shall apply to any distribution and before the allotment and issue of DRP Stapled Securities in respect of such distribution, the Managers shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Distribution Reinvestment Plan in respect of such distribution, the Managers may, in their absolute discretion and as they may deem fit in the interests of CDLHT and without assigning any reason therefor, cancel the application of the Distribution Reinvestment Plan to such distribution. In such event, the distribution shall be paid in cash to Security Holders in the usual manner.

2.3 Election to receive distributions in the form of Stapled Securities in lieu of cash

For each distribution which the Managers have determined that Security Holders may elect to receive DRP Stapled Securities credited as fully paid in respect of their entitlement to the distribution, the Managers may, at their discretion, provide Security Holders with either:

- (i) the following two choices in respect of such distribution:
 - (a) elect to receive a cash distribution on the existing Stapled Securities held; or
 - (b) elect to receive an allotment of DRP Stapled Securities credited as fully paid in lieu of the cash amount of the distribution entitlement; or
- (ii) the following three choices in respect of such distribution:
 - (a) elect to receive a cash distribution on the existing Stapled Securities held; or
 - (b) elect to receive an allotment of DRP Stapled Securities credited as fully paid in lieu of the cash amount of the distribution entitlement; or
 - (c) elect to receive an allotment of DRP Stapled Securities credited as fully-paid in lieu of part of the cash amount of the distribution entitlement and the remaining distribution entitlement in cash.

A Security Holder will, at the discretion of the Managers, receive one or more notices of election ("**Notice(s) of Election**") in relation to all of his holding of Stapled Securities through which the Security Holder may indicate whether they wish to participate in the Distribution Reinvestment Plan. Security Holders will receive the Qualifying Distribution (as defined herein) in cash if they do not choose to participate in the Distribution Reinvestment Plan.

The Managers may, at their discretion, provide Security Holders with the option of making a permanent election to receive DRP Stapled Securities in respect of their entitlements to all future Qualifying Distributions (as defined herein), to which each Notice of Election relates. Security Holders should note that there is presently no permanent election feature available and the Managers will make an announcement containing the relevant details should such a feature be available to Security Holders in the future. Accordingly, until such permanent election feature is available, a Security Holder has to complete such Notice(s) of Election every time a distribution to which the Distribution Reinvestment Plan applies (as may be determined by the Managers) (the "**Qualifying Distribution**") is announced by the Managers. Security Holders receiving more than one Notice of Election may also choose to elect to participate in respect of all or part of their holding of Stapled Securities to which one Notice of Election relates and elect not to participate in respect of all or part of their holding of Stapled Securities to which any other Notice of Election relates. A Security Holder receiving more than one Notice of Election and wishing to receive Stapled Securities in respect of his entitlement to the Qualifying Distribution for all Stapled Securities held by him must complete all Notices of Election received by him and return the completed Notices of Election to the Stapled Security Registrar within the stipulated time period.

2. THE PROPOSED DISTRIBUTION REINVESTMENT PLAN (CONT'D)

2.3 Election to receive distributions in the form of Stapled Securities in lieu of cash (cont'd)

The DRP Stapled Securities to be issued pursuant to the Distribution Reinvestment Plan will rank *pari passu* in all respects with the existing Stapled Securities then in issue save only as regards to participation in the Qualifying Distribution which is the subject of the election (including the right to make any election pursuant to the Distribution Reinvestment Plan) or any other distributions, bonuses or rights paid, made, declared or announced prior to, or contemporaneous with, the payment or declaration of the Qualifying Distribution which is the subject of the election, unless the Managers shall otherwise specify.

Fractional entitlements to the DRP Stapled Securities will be rounded down to the nearest whole stapled security, with the fractional entitlements disregarded, or otherwise dealt with in such manner as the Managers may deem fit, including distributing the residual balance to participating Security Holders in cash.

2.4 Pricing of the DRP Stapled Securities

For the purpose of calculating the number of DRP Stapled Securities to be allotted to Security Holders, the issue price of a new Stapled Security shall not be set at more than 10.0% discount (or such other discount as may be prescribed by the SGX-ST from time to time), nor shall it exceed, the volume-weighted average traded price per Stapled Security for all trades on the SGX-ST for each of the Market Days during the period of 10 Market Days immediately prior to, and ending on, the Record Date (the "**Price Determination Period**").

Consequently (where the Distribution Reinvestment Plan is to apply to a particular distribution), it will not be possible until after the close of business on the relevant Record Date to determine the exact number of DRP Stapled Securities to which Security Holders electing to receive DRP Stapled Securities will be entitled. An announcement will be made setting out the issue price of a new Stapled Security to be used in the calculation of Security Holders' entitlements to the DRP Stapled Securities in respect of such distribution. In addition, Notices of Election will be sent to Security Holders after the Record Date.

2.5 Eligibility

All Security Holders are eligible to participate in the Distribution Reinvestment Plan, subject to the restrictions on Overseas Security Holders (as defined below), more particularly described in paragraph 4.4 of the Distribution Reinvestment Plan Statement in **Appendix A** of this Circular and except that participation in the Distribution Reinvestment Plan shall not be available to such Security Holders or class of Security Holders, as the Managers may in their discretion determine, and further subject to the requirement that such participation by the Security Holders will not result in a breach of any other restriction on such Security Holders' holding of Stapled Securities which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, as the case may be, or by the H-REIT Trust Deed, the HBT Trust Deed and the stapling deed dated 12 June 2006 made between the H-REIT Manager, the H-REIT Trustee and the HBT Trustee-Manager (the "**Stapling Deed**").

2.6 Obligation to extend take-over offer

The attention of Security Holders is drawn to Rule 14 of the Singapore Code on Take-overs and Mergers. In particular, a Security Holder should note that he may be under an obligation to extend a take-over for CDLHT if:

- (i) he acquires, by participating in the Distribution Reinvestment Plan in relation to any Qualifying Distribution, whether at one time or different times, Stapled Securities which (together with Stapled Securities held or acquired by him or persons acting in concert with him) carry 30.0% or more of the voting rights of CDLHT; or
- (ii) he, together with persons acting in concert with him, holds Stapled Securities carrying not less than 30.0% but not more than 50.0% of the voting rights of CDLHT, and he or any person acting in concert with him, acquires in any period of six months, additional Stapled Securities carrying more than 1.0% of the voting rights of CDLHT by participating in the Distribution Reinvestment Plan in relation to any Qualifying Distribution.

Security Holders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Take-over Code as a result of any acquisition of Stapled Securities through their participation in the Distribution Reinvestment Plan are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity.

2. THE PROPOSED DISTRIBUTION REINVESTMENT PLAN (CONT'D)

2.7 Security Holders resident outside Singapore

The DRP Stapled Securities have not been, and will not be, registered under the United States Securities Act 1933 (the "**U.S. Securities Act**") and may not be offered, sold or resold in the United States or to, or for the account or benefit of, any U.S. Person, except in a transaction not subject to or exempt from the registration requirements of the U.S. Securities Act and the securities laws of any state or other jurisdiction in the United States.

Furthermore, for practical reasons and to avoid any violation of the securities laws applicable in countries outside Singapore where Security Holders may have their registered addresses, the Distribution Reinvestment Plan may, at the discretion of the Managers, not be offered to Security Holders with registered mailing addresses outside Singapore as at the relevant Record Date for a Distribution and who have not provided to The Central Depository (Pte) Limited ("**CDP**") (in the case of overseas Security Holders who are Depository Security Holders) or the Stapled Security Registrar (in the case of overseas Security Holders who are Non-Depository Security Holders), not later than three Market Days (or such other cut-off date as the Managers may determine) prior to the relevant Record Date with mailing addresses in Singapore for the service of notices and documents ("**Overseas Security Holders**"). No Overseas Security Holder shall have any claim whatsoever against H-REIT, HBT, the Managers, the H-REIT Trustee, the Stapled Security Registrar or CDP as a result of the Distribution Reinvestment Plan not being offered to such Overseas Security Holder. If the Managers have decided not to offer the Distribution Reinvestment Plan to Overseas Security Holders, Overseas Security Holders who receive or come to have in their possession the Distribution Reinvestment Plan Statement and/or a Notice of Election may not treat the same as an invitation to them and are advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Distribution Reinvestment Plan as may be applicable to them.

Overseas Security Holders who wish to be eligible to participate in the Distribution Reinvestment Plan should provide an address in Singapore for the service of notices and documents to the CDP at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589 (in the case of Overseas Security Holders who are Depository Security Holders) or the Stapled Security Registrar (in the case of Overseas Security Holders who are Non-Depository Security Holders) (or such other address as may be announced by the Managers from time to time) not later than three Market Days prior to the Record Date (or such other cut-off date as the Managers may determine). Security Holders should note that all correspondence and notices will be sent to their last registered addresses with CDP. Security Holders who are subject to the laws and regulations of jurisdictions outside Singapore shall, in participating in the Distribution Reinvestment Plan, be deemed to have complied with all applicable legal and regulatory requirements of the relevant jurisdictions.

2.8 Crediting of DRP Stapled Securities

It is expected that the DRP Stapled Securities will be credited to the relevant securities accounts of Security Holders, on or about the payment date for the relevant distribution, which in any event shall be no later than 90 calendar days after the distribution calculation date which shall fall on 30 June and 31 December in each year or such other date or dates as the Managers may determine (the "**Distribution Calculation Date**") for the relevant period from and including the day after the immediately preceding Distribution Calculation Date to and including the next occurring Distribution Calculation Date, or, as the case may be, for the last Distribution Period, the period from and including the day after the immediately preceding Distribution Calculation Date to and including the date of the termination of CDLHT (the "**Distribution Period**").

Security Holders should note that in approving the Distribution Reinvestment Plan, the DRP Stapled Securities will be credited to the relevant securities accounts of Security Holders, on or about the payment date for the relevant distribution, which in any event shall be no later than 90 calendar days after the end of the Distribution Period.

2.9 Taxation

The Managers, H-REIT, HBT, the H-REIT Trustee, the Stapled Security Registrar and CDP take no responsibility for the tax liabilities of Security Holders who choose to participate in the Distribution Reinvestment Plan or the tax consequences of any election made by Security Holders. As individual circumstances and laws may vary considerably, specific tax advice should be obtained by Security Holders if they are in doubt or required.

The Managers, H-REIT, HBT, the H-REIT Trustee, the Stapled Security Registrar and CDP take no responsibility for the correctness or accuracy of any information as to tax liability contained in the Distribution Reinvestment Plan Statement set out in **Appendix A** of this Circular.

2. THE PROPOSED DISTRIBUTION REINVESTMENT PLAN (CONT'D)

2.10 Distribution Date

Clause 1.1 of the H-REIT Trust Deed and Clause 1.1 of the HBT Trust Deed define "Distribution Date" as a Business Day (as defined herein) which is no later than 60 days after the Distribution Calculation Date for the relevant Distribution Period. In order to facilitate the implementation of the Distribution Reinvestment Plan, if and when approved, the Managers are proposing to amend the definition of "Distribution Date" in the H-REIT Trust Deed and the HBT Trust Deed to extend the timeframe for the payout of distributions from 60 days to 90 days after the Distribution Calculation Date. By approving the Distribution Reinvestment Plan, Security Holders are deemed to also approve the amendments to the H-REIT Trust Deed and the amendments to the HBT Trust Deed as set out in **Appendix B** of this Circular.

The extra time is required to enable the Managers to effectively deal with the added complexity of the logistical and administrative procedures involved in processing a distribution reinvestment plan for a real estate investment trust such as returning and processing the tax declaration forms and Notice of Election.

For the avoidance of doubt, notwithstanding that the timeframe for the payout of the distributions is amended from 60 days to 90 days, the Managers will comply with Rule 862(5) of the Listing Manual (which states that the distribution payment date for a distribution where a Distribution Reinvestment Plan is offered must be not more than 35 market days, after the Record Date).

2.11 Odd Lots

A Security Holder who elects to receive DRP Stapled Securities in lieu of the cash amount of the Qualifying Distribution may receive such DRP Stapled Securities in odd lots. Security Holders who receive odd lots of DRP Stapled Securities and who wish to trade such odd lots on the SGX-ST should do so on the Unit Share Market, which allows trading of odd lots with a minimum of one (1) Stapled Security.

2.12 Underwriting of the Distribution Reinvestment Plan

The Managers may, at their absolute discretion, arrange for the Distribution Reinvestment Plan to be fully or partially underwritten. If the Distribution Reinvestment Plan is fully underwritten, the number of Stapled Securities which would be issued by the Managers under the Distribution Reinvestment Plan would be the number of Stapled Securities which would be issued if all the Security Holders elect to participate in the Distribution Reinvestment Plan regardless of the actual number of Security Holders who elect to participate in the Distribution Reinvestment Plan.

An underwritten Distribution Reinvestment Plan would provide the Managers with a significant amount of certainty in relation to the capital structure of CDLHT post-implementation of the plan and would allow the Managers to maximise the benefit of the Distribution Reinvestment Plan in strengthening its balance sheet.

The Managers will comply with such requirements as may be imposed by the SGX-ST (including the Listing Manual requirements in relation to the discount limits and the limits regarding the issuance of the Stapled Securities), with respect to the subscription by an underwriter for DRP Stapled Securities which have not been issued to Security Holders, as a result of certain Security Holders opting to receive part or all of a Qualifying Distribution in cash or not making any particular election) and/or the Monetary Authority of Singapore from time to time in connection with the underwriting of the Distribution Reinvestment Plan (unless otherwise waived).

2.13 Application for Listing on the SGX-ST

The Managers shall make the necessary applications for the listing of the new Stapled Securities to be issued and allotted under the Distribution Reinvestment Plan on the SGX-ST at the relevant time. For the avoidance of doubt, the approval of the SGX-ST for the listing and quotation of the new Stapled Securities to be issued and allotted under the Distribution Reinvestment Plan is not to be taken as an indication of the merits of the Distribution Reinvestment Plan, the Managers or CDLHT.

2. THE PROPOSED DISTRIBUTION REINVESTMENT PLAN (CONT'D)

2.14 General

It should be noted that the grant of the right to participate in the Distribution Reinvestment Plan to elect to receive DRP Stapled Securities in lieu of cash in respect of any Qualifying Distribution will be made to all Security Holders, including the Managers, the directors of the Managers ("**Directors**"), Substantial Security Holders (as defined herein) and other interested persons of CDLHT who hold Stapled Securities, subject to the restrictions referred to in paragraphs 2.5 and 2.7 above.

Security Holders should note that in approving the proposed Distribution Reinvestment Plan, they are authorising the Managers to allot and issue from time to time such number of new Stapled Securities as may be required to be allotted and issued pursuant to the Distribution Reinvestment Plan, unless such authority is revoked or varied by Security Holders in a general meeting.

The Managers will comply with the Listing Manual when implementing the Distribution Reinvestment Plan.

(The terms and conditions of the Distribution Reinvestment Plan are set out in **Appendix A** of this Circular.)

3. RECOMMENDATION

Having considered the relevant factors, including the rationale for the proposed Distribution Reinvestment Plan as set out in paragraph 2.1 above, the Directors recommend that Security Holders vote in favour of the resolution relating to the proposed Distribution Reinvestment Plan.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Managers collectively and individually accept responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed Distribution Reinvestment Plan, and each of the Directors of the Managers is not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of each of the Directors of the Managers has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

5. DOCUMENTS AVAILABLE FOR INSPECTION

The H-REIT Trust Deed will be available for inspection during normal business hours, with prior appointment, at the registered office of the H-REIT Manager for so long as H-REIT continues to be in existence.

The HBT Trust Deed will be available for inspection during normal business hours, with prior appointment, at the registered office of the HBT Trustee-Manager for so long as HBT continues to be in existence.

The Stapling Deed will be available for inspection during normal business hours, with prior appointment, at the registered office of the Managers for so long as CDLHT continues to be in existence.

Yours faithfully

M&C REIT Management Limited
(as manager of CDL Hospitality Real Estate
Investment Trust)

Vincent Yeo Wee Eng
Executive Director and Chief Executive Officer

M&C Business Trust Management Limited
(as trustee-manager of CDL Hospitality
Business Trust)

Vincent Yeo Wee Eng
Executive Director and Chief Executive Officer

IMPORTANT NOTICE

In this Circular, references to H-REIT and HBT would include, where appropriate, entities owned or (as the case may be) controlled by H-REIT or HBT.

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 H-REIT Manager, the HBT Trustee-Manager or any of their affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the H-REIT Manager or the HBT Trustee-Manager or any of their affiliates to redeem their Stapled Securities while the Stapled Securities are listed. It is intended that Security Holders may only deal in their Stapled Securities through trading on the SGX-ST. Listing of the 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.

This Circular may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the H-REIT Manager's and HBT Trustee-Manager's current view of future events.

This Circular contains information derived from various third party sources. While the Managers have taken reasonable actions to ensure that such information is reproduced in their proper form and context, and that the information is extracted accurately and fairly from the relevant sources, neither the Managers, nor any other party has conducted an independent review of the information contained in the relevant sources or verified the accuracy of the contents of the relevant information.

If you have sold or transferred all your Stapled Securities, you should immediately forward this Circular, together with the Notice of Annual General Meetings and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is not for distribution, directly or indirectly, in or into the United States. It is not an offer of securities for sale into the United States. The Stapled Securities may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended) unless they are registered or exempt from registration. There will be no public offer of securities in the United States.

GLOSSARY

In this Circular, the following definitions apply throughout unless otherwise stated:

%	: Per centum or percentage
Business 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
CDLHT	: The stapled group comprising H-REIT and HBT
CDP	: The Central Depository (Pte) Limited
Circular	: The circular to Security Holders dated 24 March 2022
Directors	: The directors of the Managers
Distribution Calculation Date	: means 30 June and 31 December in each year or such other date or dates as the Managers may determine
Distribution Date	: means a Business Day which is no later than 60 days (or in the event that the resolution relating to the Distribution Reinvestment Plan is passed, 90 days) after the Distribution Calculation Date for the relevant Distribution Period
Distribution Period	: the period from and including the day after the immediately preceding Distribution Calculation Date to and including the next occurring Distribution Calculation Date, or, as the case may be, for the last Distribution Period, the period from and including the day after the immediately preceding Distribution Calculation Date to and including the date of the winding up of CDLHT
Distribution Reinvestment Plan	: The proposed distribution reinvestment plan to provide Security Holders with an option to make an election to receive distributions in the form of Stapled Securities instead of cash
Distribution Reinvestment Plan Statement	: The Distribution Reinvestment Plan statement contained in Appendix A of this Circular
DRP Stapled Securities	: The Stapled Securities which would be issued by the Managers under the Distribution Reinvestment Plan if Security Holders elect to participate in the Distribution Reinvestment Plan
Extraordinary Resolution	: A resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Security Holders convened in accordance with the provisions of the H-REIT Trust Deed or the HBT Trust Deed
HBT	: CDL Hospitality Business Trust
HBT DRP Supplement	: The proposed supplement to the HBT Trust Deed for the purpose of amending the definition of "Distribution Date" in the HBT Trust Deed as set out in Appendix B of this Circular
HBT Trust Deed	: The trust deed dated 12 June 2006 entered into by the HBT Trustee-Manager constituting HBT, as amended, varied, or supplemented from time to time
HBT Trustee-Manager	: M&C Business Trust Management Limited, as trustee-manager of HBT
H-REIT	: CDL Hospitality Real Estate Investment Trust
H-REIT DRP Supplement	: The proposed supplement to the H-REIT Trust Deed for the purpose of amending the definition of "Distribution Date" in the H-REIT Trust Deed as set out in Appendix B of this Circular
H-REIT Manager	: M&C REIT Management Limited, 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 dated 8 June 2006 entered into by the H-REIT Manager and the H-REIT Trustee constituting H-REIT, as amended, varied, or supplemented from time to time
Listing Manual	: The listing manual of the SGX-ST
Managers	: HBT Trustee-Manager and the H-REIT Manager
Market Day	: A day on which the SGX-ST is open for trading in securities
Notice of Election	: The notice of election in relation to the Distribution Reinvestment Plan in which the Security Holder elects to receive new Stapled Securities in respect of part or all of his entitlement to the Qualifying Distribution
Overseas Security Holders	: Security Holders with registered mailing addresses outside Singapore as at the relevant Record Date for a Distribution and who have not provided to CDP (in the case of overseas Security Holders who are Depository Security Holders) or the Stapled Security Registrar (in the case of overseas Security Holders who are Non-Depository Security Holders), not later than three (3) Market Days (or such other cut-off date as the Managers may determine) prior to the relevant Record Date with mailing addresses in Singapore for the service of notices and documents
Price Determination Period	: the period of 10 Business Days immediately prior to, and ending on, the relevant Record Date
Qualifying Distribution	: A distribution to which the Distribution Reinvestment Plan applies, as may be determined by the Managers
Record Date	: The date to be determined by the Managers on which the register of Security Holders will be closed for the purpose of determining the entitlements of Security Holders to a distribution
Security Holder	: A holder of a Stapled Security, including persons so registered as joint holders, except where the registered holder is CDP, the term "Security Holder" shall, in relation to Stapled Securities registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Stapled Securities
SGX-ST	: Singapore Exchange Securities Trading Limited
Stapled Security	: A security comprising one unit in H-REIT and one unit in HBT stapled together under the terms of the Stapling Deed
Stapled Security Registrar	: Boardroom Corporate & Advisory Services Pte. Ltd., the stapled security registrar of CDLHT
Stapling Deed	: The stapling deed dated 12 June 2006 made between the H-REIT Manager, the H-REIT Trustee and the HBT Trustee-Manager, as amended, varied, or supplemented from time to time
Substantial Security Holder	: A Security Holder with an interest in more than 5.0% of all Stapled Securities in issue
U.S. Securities Act	: United States Securities Act 1933

The terms "Depositor" and "Depository Register" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001.

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 include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

DISTRIBUTION REINVESTMENT PLAN STATEMENT



CDL HOSPITALITY TRUSTS

CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST

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

CDL HOSPITALITY BUSINESS TRUST

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

1. DISTRIBUTION REINVESTMENT PLAN STATEMENT

This Distribution Reinvestment Plan Statement (the "**Statement**") contains the terms and conditions (the "**Terms and Conditions**") of the CDL Hospitality Trusts ("**CDLHT**") Distribution Reinvestment Plan (the "**Distribution Reinvestment Plan**") under which persons registered in the register of Security Holders (as defined below), or as the case may be, the Depository Register (as defined in paragraph 4.2 below) as holders of such stapled securities in CDLHT (the "**Security Holders**") may elect to receive fully paid new stapled securities in CDLHT (the "**Stapled Securities**", and the new Stapled Securities, the "**New Stapled Securities**") in lieu of all or part only of the cash amount of any distribution (including any interim, final, special or other distribution) (the "**Distribution**") which is declared on the Stapled Securities held by them (after the deduction of applicable income tax, if any). CDLHT is a stapled group comprising CDL Hospitality Real Estate Investment Trust ("**H-REIT**") and CDL Hospitality Business Trust ("**HBT**").

Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Statement.

2. SUMMARY OF MAIN FEATURES

The Distribution Reinvestment Plan provides Security Holders with the option to elect to receive New Stapled Securities in lieu of all or part only of the cash amount of any Distribution declared on their holding of Stapled Securities (after the deduction of applicable income tax, if any).

Under the present law in Singapore, there is no brokerage, stamp duty or other transaction costs payable by Participating Security Holders (as defined in paragraph 4.5 below) on New Stapled Securities allotted and issued under the Distribution Reinvestment Plan.

All Security Holders are eligible to participate in the Distribution Reinvestment Plan subject to the restrictions on Overseas Security Holders (as defined in paragraph 4.2 below), more particularly described in paragraph 4.4 below, and except for such other Security Holders or class of Security Holders as M&C REIT Management Limited, as manager of H-REIT ("**H-REIT Manager**") and M&C Business Trust Management Limited, as trustee-manager of HBT ("**HBT Trustee-Manager**", collectively with the H-REIT Manager, "**Managers**"), may in their discretion decide.

Security Holders may elect to participate in respect of all or part of their holding of Stapled Securities to which each Notice of Election (as defined in paragraph 4.6 below) relates in respect of any Qualifying Distribution (as defined in paragraph 4.2 below).

Security Holders receiving more than one (1) Notice of Election may elect to participate in respect of all or part of their holding of Stapled Securities to which one (1) Notice of Election relates and elect not to participate in respect of all or part of their holding of Stapled Securities to which any other Notice of Election relates.

2. SUMMARY OF MAIN FEATURES (CONT'D)

The Managers may, at their discretion, provide Security Holders with the option of making a permanent election to receive New Stapled Securities in respect of their entitlements to all future Qualifying Distributions, to which each Notice of Election relates. Security Holders should note that there is presently no permanent election feature available under the Distribution Reinvestment Plan and the Managers will make an announcement containing the relevant details should they choose to offer this feature to Security Holders in the future.

The Managers may, in their absolute discretion, determine that the Distribution Reinvestment Plan will apply to any particular Distribution. An announcement will be made by the Managers as soon as practicable following the determination by the Managers that the Distribution Reinvestment Plan is to apply to a particular Distribution, and in any event, by no later than the next Market Day (as defined in paragraph 4.2 below) immediately following the Record Date (as defined in paragraph 4.2 below) in respect of the particular Distribution. Unless the Managers have determined and announced that the Distribution Reinvestment Plan will apply to any particular Distribution, the Distribution concerned will be paid in cash to the Security Holders in the usual manner.

The New Stapled Securities to be allotted and issued under the Distribution Reinvestment Plan will rank *pari passu* in all respects with the existing Stapled Securities then in issue save only as regards to participation in the Qualifying Distribution which is the subject of the election (including the right to make any election pursuant to the Distribution Reinvestment Plan) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the Qualifying Distribution which is the subject of the election, unless the Managers shall otherwise specify.

Security Holders participating in the Distribution Reinvestment Plan will receive, on or about each Distribution Date (as defined in paragraph 4.2 below) of a Qualifying Distribution, notification letters setting out, *inter alia*, the number of New Stapled Securities allotted to them under the Distribution Reinvestment Plan.

The listing of and permission to deal in New Stapled Securities issued to Security Holders under the Distribution Reinvestment Plan on the Main Board of the SGX-ST is subject to the approval of the SGX-ST.

3. HOW TO PARTICIPATE

Participation in the Distribution Reinvestment Plan is optional and not transferable.

A Security Holder wishing to receive New Stapled Securities in respect of any Qualifying Distribution to which a Notice of Election received by him relates should complete the Notice of Election and return it, no later than the date and time to be specified by the Managers in respect of the Qualifying Distribution, to the stapled security registrar of CDLHT, Boardroom Corporate & Advisory Services Pte. Ltd. (the "**Stapled Security Registrar**") at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632 (Telephone number: +65 6536 5355) (or such other address as may be announced by the Managers from time to time).

A Security Holder receiving more than one (1) Notice of Election and wishing to receive New Stapled Securities in respect of all of his entitlement to the Qualifying Distribution in respect of all of his holding of Stapled Securities must complete and sign all Notices of Election received by him and return the completed and signed Notices of Election, no later than the date and time to be specified by the Managers in respect of the Qualifying Distribution, to the Stapled Security Registrar at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632 (Telephone number: +65 6536 5355) (or such other address as may be announced by the Managers from time to time).

To be effective in respect of any Qualifying Distribution to which a Notice of Election relates, such duly completed and signed Notice of Election must be received by the Stapled Security Registrar, no later than the date and time to be specified by the Managers in respect of that Qualifying Distribution. The Stapled Security Registrar's records of the level of a Security Holder's participation will be conclusive evidence of the matters so recorded.

3. HOW TO PARTICIPATE (CONT'D)

By submitting a Notice of Election, a Security Holder consents to the collection, use and disclosure of the Security Holder's personal data by each of HBT, H-REIT, H-REIT Trustee and/or the Managers and/or any agent of any of the foregoing (each a "**Recipient Entity**" and collectively, the "**Recipient Entities**") for all purposes in connection with the purpose of the processing and administration by the Recipient Entities of the Distribution Reinvestment Plan or other ancillary purposes, and in order for the Recipient Entities to comply with any applicable laws, listing rules, regulations and/or guidelines (the "**Permitted Purposes**"). The Security Holder further authorises the Recipient Entities to disclose such data to (a) the Managers' authorised representatives for all purposes in connection with any internal analysis, implementation of corporate actions and investor relations communications, and (b) the following persons and their authorised representatives, for any of the Permitted Purposes: (i) the Stapled Security Registrar and its related corporations; (ii) CDP and its related corporations; (iii) the Security Holder's bank by whom the Security Holder's bank account is maintained for direct crediting (if applicable); and (iv) any third party with whom the Stapled Security Registrar, CDP or any of their related corporations has service arrangements.

4. TERMS AND CONDITIONS OF THE DISTRIBUTION REINVESTMENT PLAN

4.1 Establishment

The Distribution Reinvestment Plan has been established by the Managers for the benefit of CDLHT and the Security Holders.

4.2 Terms and Conditions

The following are the terms and conditions ("**Terms and Conditions**") of the Distribution Reinvestment Plan.

In these Terms and Conditions:

"**Business Day**" shall mean 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 in securities;

"**CDP**" shall mean The Central Depository (Pte) Limited;

"**Deeds**" shall mean the HBT Trust Deed, the H-REIT Trust Deed and the Stapling Deed;

"**Depositor**" and "Depository Register" shall have the respective meanings ascribed to them in the Securities and Futures Act 2001;

"**Depository Security Holder**" means a Security Holder registered in the Depository Register;

"**Distribution Calculation Date**" shall mean 30 June and 31 December in each year or such other dates as the Managers may determine;

"**Distribution Date**" shall mean a Business Day which is no later than 90 days after the Distribution Calculation Date for the relevant Distribution Period (or such other period as may be specified under the HBT Trust Deed and the H-REIT Trust Deed) on which a Distribution is payable;

"**Distribution Period**" shall mean the period from and including the day after the immediately preceding Distribution Calculation Date to and including the next occurring Distribution Calculation Date, or as the case may be, for the last Distribution Period, the period from and including the day after the immediately preceding Distribution Calculation Date to and including the date of termination of CDLHT;

"**HBT**" shall mean CDL Hospitality Business Trust;

"**HBT Trust Deed**" shall mean the trust deed dated 12 June 2006 entered into by the HBT Trustee-Manager constituting HBT, as amended, varied, or supplemented from time to time;

"**HBT Trustee-Manager**" shall mean M&C Business Trust Management Limited, as trustee-manager of HBT;

"**H-REIT**" shall mean CDL Hospitality Real Estate Investment Trust;

"**H-REIT Manager**" shall mean M&C REIT Management Limited, as manager of H-REIT;

"**H-REIT Trustee**" shall mean DBS Trustee Limited, in its capacity as trustee of H-REIT;

4. TERMS AND CONDITIONS OF THE DISTRIBUTION REINVESTMENT PLAN (CONT'D)

4.2 Terms and Conditions (cont'd)

"H-REIT Trust Deed" shall mean the trust deed dated 8 June 2006 entered into by the H-REIT Manager and the H-REIT Trustee constituting H-REIT, as amended, varied, or supplemented from time to time;

"Managers" shall mean the HBT Trustee-Manager and the H-REIT Manager;

"Market Day" shall mean a day on which the SGX-ST is open for trading in securities;

"Non-Depository Security Holder" means a Security Holder registered in the register of Security Holders;

"Overseas Security Holders" shall mean Security Holders with registered mailing addresses outside Singapore as at the relevant Record Date for a Distribution and who have not provided to CDP (in the case of overseas Security Holders who are Depository Security Holders) or the Stapled Security Registrar (in the case of overseas Security Holders who are Non-Depository Security Holders), not later than three Market Days (or such other cut-off date as the Managers may determine) prior to the relevant Record Date with mailing addresses in Singapore for the service of notices and documents;

"Price Determination Period" shall mean the period of 10 Business Days immediately prior to, and ending on, the relevant Record Date;

"Qualifying Distribution" shall mean any Distribution to which the Distribution Reinvestment Plan applies, as determined by the Managers;

"Record Date" shall mean the date and time to be determined by the Managers on which the register of Security Holders will be closed for the purpose of determining the entitlements of Security Holders to a Distribution;

"S\$" or "Singapore Dollars" shall mean the lawful currency of Singapore;

"Securities Accounts" shall mean securities accounts maintained by Depositors with CDP but does not include securities sub-accounts;

"Security Holders" shall mean persons who are registered as holders of Stapled Securities for the time being of a Stapled Security, including persons so registered as joint holders, except where the registered holder is CDP, the term "Security Holder" shall, in relation to Stapled Securities registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Stapled Securities;

"Stapled Security" shall mean a security comprising one unit in H-REIT and one unit in HBT stapled together under the terms of the Stapling Deed;

"Stapled Security Registrar" shall mean the stapled security registrar of CDLHT, Boardroom Corporate & Advisory Services Pte. Ltd.;

"Stapling Deed" shall mean the stapling deed dated 12 June 2006 made between the H-REIT Manager, the H-REIT Trustee and the HBT Trustee-Manager, as amended, varied, or supplemented from time to time;

"Statement" shall mean this Distribution Reinvestment Plan Statement;

"Take-over Code" shall mean the Singapore Code on Take-overs and Mergers, including all practice notes, rules and guidelines thereunder, as may be amended from time to time;

"U.S. Securities Act" shall mean the U.S. Securities Act of 1933, as amended; and

"%" or "per cent." shall mean percentage or per centum.

4. TERMS AND CONDITIONS OF THE DISTRIBUTION REINVESTMENT PLAN (CONT'D)

4.3 Eligibility

All Security Holders are eligible to participate in the Distribution Reinvestment Plan, subject to the restrictions on Overseas Security Holders, more particularly described in paragraph 4.4 below, and except that participation in the Distribution Reinvestment Plan shall not be available to such Security Holders or class of Security Holders as the Managers may in their discretion determine and further subject to the requirement that such participation by the Security Holders will not result in a breach of any other restriction on such Security Holders' holding of Stapled Securities which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, as the case may be, or prescribed by the Deeds.

4.4 Security Holders Resident Outside Singapore

The New Stapled Securities to be allotted and issued under the Distribution Reinvestment Plan have not been, and will not be, registered under the U.S. Securities Act and may not be offered, sold or resold in the United States or to, or for the account or benefit of, any U.S. person, except in a transaction not subject to or exempt from the registration requirements of the U.S. Securities Act and the securities laws of any state or other jurisdiction in the United States.

Furthermore, for practical reasons and to avoid any violation of the securities laws applicable in countries outside Singapore where Security Holders may have their registered addresses, the Distribution Reinvestment Plan may, at the discretion of the Managers, not be offered to Overseas Security Holders. No Overseas Security Holder shall have any claim whatsoever against HBT, H-REIT, H-REIT Trustee, the Managers, the Stapled Security Registrar or CDP as a result of the Distribution Reinvestment Plan not being offered to such Overseas Security Holders. If the Managers have decided not to offer the Distribution Reinvestment Plan to Overseas Security Holders, Overseas Security Holders who receive or come to have in their possession this Statement and/or a Notice of Election may not treat the same as an invitation to them and are advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Distribution Reinvestment Plan as may be applicable to them.

Overseas Security Holders who wish to be eligible to participate in the Distribution Reinvestment Plan should provide an address in Singapore for the service of notices and documents to The Central Depository (Pte) Limited, 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589 (in the case of Overseas Security Holders who are Depository Security Holders) or the Stapled Security Registrar (in the case of Overseas Security Holders who are Non-Depository Security Holders) (or such other address as may be announced by the Managers from time to time), not later than three Market Days prior to the Record Date (or such other cut-off date as the Managers may determine). Security Holders should note that all correspondences and notices will be sent to their last registered mailing addresses with CDP. Security Holders which are subject to the laws and regulations of jurisdictions outside Singapore shall, in participating in the Distribution Reinvestment Plan, be deemed to have complied with all applicable legal and regulatory requirements of the relevant jurisdictions.

4.5 Level of Participation

A Security Holder may elect to participate in the Distribution Reinvestment Plan (the "**Participating Security Holder**") in respect of all or part only of his holding of Stapled Securities as at each Record Date to which each Notice of Election (as defined in paragraph 4.6 below) received by him relates to a Qualifying Distribution (the "**Participating Stapled Securities**"). If the Notice of Election submitted by a Security Holder is not in order, as determined at the discretion of the Managers, such Security Holder will receive his Qualifying Distribution in cash. For each distribution which the Managers have determined that Security Holders may elect to receive New Stapled Securities credited as fully paid in respect of their entitlement to the distribution, the Managers may, at their discretion, provide Security Holders with either:

- (i) the following two choices in respect of such distribution:
 - (a) elect to receive a cash distribution on the existing Stapled Securities held; or
 - (b) elect to receive an allotment of New Stapled Securities credited as fully paid in lieu of the cash amount of the distribution entitlement; or

4. TERMS AND CONDITIONS OF THE DISTRIBUTION REINVESTMENT PLAN (CONT'D)

4.5 Level of Participation (cont'd)

- (ii) the following three choices in respect of such distribution:
- (a) elect to receive a cash distribution on the existing Stapled Securities held; or
 - (b) elect to receive an allotment of New Stapled Securities credited as fully paid in lieu of the cash amount of the distribution entitlement; or
 - (c) elect to receive an allotment of New Stapled Securities credited as fully paid in lieu of part of the cash amount of the distribution entitlement and the remaining distribution entitlement in cash.

4.6 Notice of Election to Participate

The Managers will, at their absolute discretion, send to each Security Holder one (1) or more notices of election (in such form as the Managers may approve) through which each Security Holder may indicate whether they wish to participate in the Distribution Reinvestment Plan (the "**Notice of Election**").

To be effective in respect of any Qualifying Distribution, a Notice of Election duly completed and signed by the relevant Security Holder in accordance with the instructions stipulated by the Managers must be received by the Stapled Security Registrar by the date and time to be specified by the Managers in respect of that Qualifying Distribution. A Security Holder receiving two (2) or more Notices of Election may elect to receive New Stapled Securities in respect of his entitlement to which one (1) or more Notice of Election relates and decline to receive New Stapled Securities in respect of his entitlement to which any other Notice of Election relates.

A Security Holder receiving two (2) or more Notices of Election and wishing to receive New Stapled Securities in respect of all of his entitlement to the Qualifying Distribution in respect of all his holding of Stapled Securities must complete and sign all the Notices of Election received by him in accordance with the instructions stipulated by the Managers and return the completed and signed Notices of Election, no later than the date and time to be specified by the Managers in respect of the Qualifying Distribution, to the Stapled Security Registrar at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632 (Telephone number: +65 6536 5355) (or such other address as may be announced by the Managers from time to time).

A Notice of Election to participate in the Distribution Reinvestment Plan in any other form will not be accepted by the Stapled Security Registrar. If a Notice of Election is received after the date and time specified by the Managers for the receipt of such Notices of Election for any particular Qualifying Distribution, the Notice of Election will not, unless otherwise determined by the Managers, be effective for that Qualifying Distribution.

A Notice of Election in respect of any Qualifying Distribution shall not, upon its receipt by the Stapled Security Registrar, be withdrawn or cancelled.

The Managers are under no obligation to correct invalid Notices of Election on behalf of any Security Holder or to provide any reason for rejecting any Notice of Election.

By electing to participate in the Distribution Reinvestment Plan, the Participating Security Holder unconditionally:

- (a) warrants to the Managers that it has the legal right and full power and authority to participate in the Distribution Reinvestment Plan and that its participation in the Distribution Reinvestment Plan will not result in a breach of any law or regulation by which it is bound;
- (b) acknowledges that the Managers may at any time in their discretion determine that the Participating Security Holder's Notice of Election or other form ("**Form**") is valid, even if the relevant Form is incomplete, contains errors or is otherwise defective;
- (c) acknowledges that the Managers may in their discretion reject any Form;
- (d) acknowledges that the Managers have not provided the Participating Security Holder with investment or other advice and that the Managers do not have any obligation to provide any advice in connection with the Distribution Reinvestment Plan;
- (e) agrees to these Terms and Conditions and agrees not to do any act or thing which would be contrary to the intention or purpose of the Distribution Reinvestment Plan; and
- (f) submits to the exclusive jurisdiction of the Singapore courts,

4. TERMS AND CONDITIONS OF THE DISTRIBUTION REINVESTMENT PLAN (CONT'D)

4.6 Notice of Election to Participate (cont'd)

in each case, at all times until termination of the Distribution Reinvestment Plan or of the Participating Security Holder's participation in the Distribution Reinvestment Plan.

4.7 Extent of Application of Distribution Reinvestment Plan to each Distribution

The Managers may determine, in their absolute discretion, in respect of any Distribution, whether the Distribution Reinvestment Plan shall apply to such Distribution. If, in their absolute discretion, the Managers have not determined that the Distribution Reinvestment Plan is to apply to a particular Distribution, such Distribution shall be paid in cash to Security Holders in the usual manner notwithstanding their elections under the Distribution Reinvestment Plan.

4.8 Stapled Security Entitlement

By electing to participate in the Distribution Reinvestment Plan in respect of any Notice of Election received by him, a Participating Security Holder elects in respect of any Qualifying Distribution (after the deduction of any applicable income tax) to which such Notice of Election relates to receive Stapled Securities in lieu of the cash amount of the Qualifying Distribution.

In respect of any Qualifying Distribution, the number of New Stapled Securities to be allotted and issued to the Participating Security Holder electing to receive New Stapled Securities in respect of a Notice of Election shall be calculated in accordance with the following formula:

$$N = \frac{(U \times D1) - (U \times D1 \times T)}{V} + \frac{(U \times D2)}{V} + \frac{(U \times D3)}{V} + \frac{(U \times D4)}{V}$$

(each component rounded down to the nearest whole Stapled Security)

Where:

N = the number of New Stapled Securities to be allotted and issued as fully paid to the Participating Security Holder in respect of such Notice of Election.

U = the number of Participating Stapled Securities held by the Participating Security Holder as at the Record Date for which such Notice of Election relates.

D1 = is the taxable income component of the Qualifying Distribution per Stapled Security to which such Notice of Election relates.

D2 = is the tax-exempt income component of the Qualifying Distribution per Stapled Security to which such Notice of Election relates.

D3 = is the capital component of the Qualifying Distribution per Stapled Security to which such Notice of Election relates.

D4 = is the other gains component of the Qualifying Distribution per Stapled Security to which such Notice of Election relates.

T = is the applicable income tax rate.

V = the issue price of a New Stapled Security, which shall for the purpose of calculating the number of New Stapled Securities to be allotted and issued as fully paid to the Participating Security Holder, pursuant to the Distribution Reinvestment Plan, be an amount in Singapore Dollars determined by the Managers (the "**Relevant Amount**"), which Relevant Amount shall be as permitted under the Listing Manual, or any other applicable legislation, which is currently set at not more than a ten per cent. (10%) discount (or such other discount as may be permitted by the Listing Manual) to, nor shall it exceed, the volume-weighted average traded price per Unit for all trades on the SGX-ST for each of the Market Days during the Price Determination Period. In the event that there is no trading in the Stapled Securities during the Price Determination Period, the Relevant Amount shall not exceed the volume-weighted average traded price per Unit for all trades on the SGX-ST, for each of the Market Days during a period to be determined by the Managers prior to the announcement of the application of the Distribution Reinvestment Plan to such Distribution.

4. TERMS AND CONDITIONS OF THE DISTRIBUTION REINVESTMENT PLAN (CONT'D)

4.8 Stapled Security Entitlement (cont'd)

The Managers shall have full power to make such provisions as they think fit where the number of New Stapled Securities calculated in accordance with the above formula becomes attributable in fractions, including provisions whereby fractional entitlements are rounded down to the nearest whole Stapled Security with the fractional entitlements disregarded, or otherwise dealt with in such manner as it may deem fit, including distributing the residual balance to participating Security Holders in cash.

4.9 Terms of Allotment

Unless the Managers otherwise determines, all New Stapled Securities to be allotted under the Distribution Reinvestment Plan will be allotted as fully paid. All such New Stapled Securities shall upon allotment and issue, rank *pari passu* in all respects with all existing Stapled Securities then in issue save only as regards participation in the Qualifying Distribution which is the subject of the election (including the right to make any election pursuant to the Distribution Reinvestment Plan) or any other distributions, bonuses or rights paid, made, declared or announced prior to, or contemporaneous with, the payment or declaration of the Qualifying Distribution which is the subject of the election, unless the Managers shall otherwise specify.

4.10 Odd Lots

A Security Holder who elects to receive New Stapled Securities under the Distribution Reinvestment Plan in lieu of the cash amount of the Qualifying Distribution may receive such New Stapled Securities in odd lots. Security Holders who receive odd lots of New Stapled Securities under the Distribution Reinvestment Plan and who wish to trade such odd lots on the SGX-ST should do so on the Unit Share Market, which allows trading of odd lots with a minimum of one (1) Stapled Security.

4.11 Underwriting of the Distribution Reinvestment Plan

The Managers may, at their absolute discretion, arrange for the Distribution Reinvestment Plan to be fully or partially underwritten. If the Distribution Reinvestment Plan is fully underwritten, the number of Stapled Securities which would be issued by the Managers under the Distribution Reinvestment Plan would be the number of Stapled Securities which would be issued if all the Security Holders elect to participate in the Distribution Reinvestment Plan regardless of the actual number of Security Holders who elect to participate in the Distribution Reinvestment Plan.

An underwritten Distribution Reinvestment Plan would provide the Managers with a significant amount of certainty in relation to the capital structure of CDLHT post-implementation of the plan and would allow the Managers to maximise the benefit of the Distribution Reinvestment Plan in strengthening its balance sheet.

The Managers will comply with such requirements as may be imposed by the SGX-ST (including the Listing Manual requirements in relation to the discount limits and the limits regarding the issuance of the Stapled Securities), with respect to the subscription by an underwriter for the Stapled Securities which have not been issued to Security Holders, as a result of certain Security Holders opting to receive part or all of a Qualifying Distribution in cash or not making any particular election) and/or the Monetary Authority of Singapore from time to time in connection with the underwriting of the Distribution Reinvestment Plan (unless otherwise waived).

4.12 Notification Letter to Participating Security Holders

A notification letter will be sent to each Participating Security Holder on or about each Distribution Date, which in any event shall be no later than 90 calendar days (or such other period as may be specified under the HBT Trust Deed and the H-REIT Trust Deed) after the Distribution Calculation Date for the relevant Distribution Period, or such other period as the Managers may decide, detailing, among other things (a) the number of Participating Stapled Securities held by the Participating Security Holder in respect of his Notice of Election and (b) the number of New Stapled Securities to be allotted to the Participating Security Holder under the Distribution Reinvestment Plan.

4.13 Cost to the Participating Security Holders

Under the present law in Singapore, brokerage or other transaction costs and stamp duty will not be payable by Participating Security Holders on New Stapled Securities allotted and issued under the Distribution Reinvestment Plan.

4. TERMS AND CONDITIONS OF THE DISTRIBUTION REINVESTMENT PLAN (CONT'D)

4.14 Cancellation of Application of the Distribution Reinvestment Plan

Notwithstanding any provision in these Terms and Conditions, if at any time after the Managers have determined that the Distribution Reinvestment Plan shall apply to any particular Distribution and before the allotment and issue of New Stapled Securities in respect of that Distribution, the Managers shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Distribution Reinvestment Plan in respect of such Distribution, the Managers may, at their absolute discretion and as they may deem fit in the interest of CDLHT and without assigning any reason therefor, cancel the application of the Distribution Reinvestment Plan to the Distribution. In such event, the Distribution shall be paid in cash to Security Holders in the usual manner. Security Holders should note that in the event the application of the Distribution Reinvestment Plan to a Distribution is cancelled, the date of payment of the Distribution in cash may be delayed.

4.15 Modification, Suspension and Termination of the Distribution Reinvestment Plan

The Distribution Reinvestment Plan may be modified, suspended (in whole or in part) or terminated at any time by the Managers as they deem fit, provided that notice in writing is given to all Security Holders by way of an announcement on the website of SGX-ST.

4.16 General Administration of the Distribution Reinvestment Plan

The Managers may implement the Distribution Reinvestment Plan in the manner it deems fit.

The Managers have the power to:

- (i) determine procedures, rules and regulations for administration of the Distribution Reinvestment Plan consistent with these Terms and Conditions;
- (ii) settle in such manner as they think fit any difficulty, anomaly or dispute (including relating to the interpretation of any provision, regulation or procedure or as to any rights under the Distribution Reinvestment Plan) which may arise in connection with the Distribution Reinvestment Plan, whether generally or in relation to any Participating Security Holder or any Stapled Securities and the determination of the Managers will be conclusive and binding on all Security Holders and other persons to whom the determination relates;
- (iii) delegate to any one or more persons, for such period and on such conditions as the Managers may determine, the exercise of any of their powers or discretions under or in respect of the Distribution Reinvestment Plan and references to a decision, opinion or determination of the Managers include a reference to the decision, opinion or determination of the person or persons to whom the Managers have delegated its authority for the purposes of administering the Distribution Reinvestment Plan; and
- (iv) waive strict compliance by the Managers or any Security Holder with any of these Terms and Conditions.

4.17 Takeover Implications

The attention of Security Holders is drawn to Rule 14 of the Take-over Code. In particular, a Security Holder should note that he may be under an obligation to extend a take-over offer for CDLHT if:

- (a) he acquires, by participating in the Distribution Reinvestment Plan in relation to any Qualifying Distribution, whether at one time or different times, Stapled Securities which (taken together with Stapled Securities held or acquired by him or persons acting in concert with him) carry thirty per cent. (30%) or more of the voting rights of CDLHT; or
- (b) he, together with persons acting in concert with him, holds not less than thirty per cent. (30%) but not more than fifty per cent. (50%) of the voting rights of CDLHT and he, or any person acting in concert with him, acquires in any period of six months additional Stapled Securities carrying more than one per cent. (1%) of the voting rights of CDLHT by participating in the Distribution Reinvestment Plan in relation to any Qualifying Distribution.

Security Holders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Take-over Code as a result of any acquisition of Stapled Securities through their participation in the Distribution Reinvestment Plan are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity.

4. TERMS AND CONDITIONS OF THE DISTRIBUTION REINVESTMENT PLAN (CONT'D)

4.18 Governing Law

This Statement, the Distribution Reinvestment Plan and the Terms and Conditions thereof shall be governed by, and construed in accordance with, the laws of Singapore.

4.19 Notices and Statements

Unless otherwise provided in these Terms and Conditions, any notices, documents and statements required to be given by the Managers to a Participating Security Holder shall be given in accordance with the applicable provisions of the Deeds.

5. LISTING ON THE SGX-ST

The Managers shall make the necessary applications for the listing of the New Stapled Securities to be issued and allotted under the Distribution Reinvestment Plan on the SGX-ST. Approval of such applications from the SGX-ST is not to be taken as an indication of the merits of the Distribution Reinvestment Plan, the New Stapled Securities, CDLHT, the H-REIT Trustee or the Managers.

6. TAXATION

The Managers, H-REIT, HBT, the H-REIT Trustee, the Stapled Security Registrar and CDP take no responsibility for the tax liabilities of Participating Security Holders or the tax consequences of any election made by Security Holders. As individual circumstances and laws may vary considerably, specific tax advice should be obtained by Security Holders if they are in any doubt or if required.

The Managers, H-REIT, HBT, the H-REIT Trustee, the Stapled Security Registrar and CDP take no responsibility for the correctness or accuracy of any information as to tax liability set out in this Statement.

7. OTHER ITEMS

The New Stapled Securities are offered on the Terms and Conditions set out in this Statement and in the applicable provisions of the Deeds. There are no other terms other than those implied by law or set out in publicly registered documents.

8. ENQUIRIES

Enquiries regarding any aspect of the Distribution Reinvestment Plan should be directed to:

M&C REIT Management Limited
M&C Business Trust Management Limited
c/o Stapled Security Registrar
Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632
(Telephone number: +65 6536 5355)

9. LIABILITY OF CDLHT, THE MANAGERS AND THE H-REIT TRUSTEE

Notwithstanding anything herein, neither H-REIT, HBT, the subsidiaries of H-REIT and HBT, the Managers, the H-REIT Trustee nor any officer, agent or representative of the Managers or the H-REIT Trustee shall under any circumstances be liable or responsible to any Participating Security Holder for any loss, damage, cost, charge, claim, demand, judgment, action, proceeding, expense or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) (collectively, "**Liability**") or alleged Liability in connection with or as a result, directly or indirectly, of the establishment or operation of the Distribution Reinvestment Plan or participation in the Distribution Reinvestment Plan or in relation to any matter in connection with the Distribution Reinvestment Plan, including any delay in allotting or issuing any New Stapled Securities or applying for their listing. No representation or warranty is given in respect of any Stapled Securities, H-REIT, HBT, the H-REIT Trustee, the Managers or their respective subsidiaries or associated companies, or that listing of the Stapled Securities will be obtained.

The Notice of Election shall be deemed to have been duly given to Security Holders if sent by post to the Security Holders' last registered mailing addresses with CDP (in the case of Security Holders who are Depository Security Holders) or the Stapled Security Registrar (in the case of Security Holders who are Non-Depository Security Holders), and shall be deemed to have been given two days after posting. The Managers will not be liable or responsible for any Liability if the despatched Notices of Election are not received by Security Holders, or if the Notices of Election completed by Security Holders are not received by the Stapled Security Registrar.

Security Holders who do not receive the Notice of Election within three Market Days from the date of despatch as announced by the Managers and who would like to participate in the Distribution Reinvestment Plan may wish to obtain a copy of the same from CDP at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589 (Telephone number: +65 6535 7511) (or such other address as may be announced by the Managers from time to time).

H-REIT DRP SUPPLEMENT

The proposed form of the amendments to the H-REIT Trust Deed, subject to Security Holders passing the resolution to approve the proposed Distribution Reinvestment Plan is as set out below. For the avoidance of doubt, all terms and definitions used below shall have the same meaning and construction as stated in the H-REIT Trust Deed.

- that the definition of "Distribution Date" set out in Clause 1.1 of the H-REIT Trust Deed be amended to reflect the additions as indicated by the underlined text below and the deletions as indicated by the deleted text below:

"Distribution Date" means a Business Day which is no later than 90~~60~~ days after the Distribution Calculation Date for the relevant Distribution Period;"

HBT DRP SUPPLEMENT

The proposed form of the amendments to the HBT Trust Deed, subject to Security Holders passing the resolution to approve the proposed Distribution Reinvestment Plan is as set out below. For the avoidance of doubt, all terms and definitions used below shall have the same meaning and construction as stated in the HBT Trust Deed.

- that the definition of "Distribution Date" set out in Clause 1.1 of the HBT Trust Deed be amended to reflect the additions as indicated by the underlined text below and the deletions as indicated by the deleted text below:

"Distribution Date" means a Business Day which is no later than 90~~60~~ days after the Distribution Calculation Date for the relevant Distribution Period;"