



**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)

**CDL HOSPITALITY BUSINESS TRUST**

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

**ANNOUNCEMENT**

**NOTICE OF RECORD AND DISTRIBUTION PAYMENT DATE**

NOTICE IS HEREBY GIVEN THAT the Transfer Books and Register of Unitholders of CDL Hospitality Real Estate Investment Trust (“**H-REIT**”) and CDL Hospitality Business Trust (“**HBT**”) will be closed at 5.00 p.m. on Monday, 7 August 2023 to determine entitlements of holders of Stapled Securities (“**Holders**”) to CDL Hospitality Trusts’ (“**CDLHT**”) distribution. CDLHT has announced a distribution of 2.51 cents per Stapled Security in CDLHT for the period from 1 January 2023 to 30 June 2023, comprising the following distribution from H-REIT:

- (i) taxable income of 2.10 cents per Stapled Security;
- (ii) tax-exempt income of 0.15 cents per Stapled Security; and
- (iii) capital component of 0.26 cents per Stapled Security.

There is no distribution from HBT for the period from 1 January 2023 to 30 June 2023.

Holders whose securities accounts with The Central Depository (Pte) Limited are credited with Stapled Securities as at 5.00 p.m. on Monday, 7 August 2023 will be entitled to the distribution that will be paid on Tuesday, 29 August 2023.

**DECLARATION FOR SINGAPORE TAX PURPOSES**

**A. Taxable income**

1. DBS Trustee Limited, as trustee of H-REIT (the “**H-REIT Trustee**”), 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**”) will not deduct tax from distributions made out of CDLHT’s taxable income that is not taxed at CDLHT’s level to:
  - (a) Holders who are individuals and who hold the Stapled Securities either in their sole names or jointly with other individuals;
  - (b) Holders which are companies incorporated and tax resident in Singapore;
  - (c) Holders which are Singapore branches of foreign companies
  - (d) Holders which are non-corporate entities (excluding partnerships) constituted or registered in Singapore, such as:
    - (i) institutions, authorities, persons or funds specified in the First Schedule to the Income Tax Act 1947;
    - (ii) co-operative societies registered under the Co-operative Societies Act 1979;
    - (iii) trade unions registered under the Trade Unions Act 1940;

- (iv) charities registered under the Charities Act 1994 or established by an Act of Parliament; and
  - (v) town councils.
- (e) an international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act 1948; and
- (f) real estate investment trust exchange-traded funds ("REIT ETF"s) which have been accorded the tax transparency treatment.
2. For distributions made to classes of Holders that do not fall within the categories stated under Note 1 above, the H-REIT Trustee, the H-REIT Manager and HBT Trustee-Manager will deduct tax at the rate of 10%, if the Holders are foreign non-individual investors or foreign funds<sup>®</sup>. The reduced concessionary tax rate of 10% will expire for distributions made after 31 December 2025 unless this concession is extended. A foreign non-individual investor/foreign fund is one who is not a resident of Singapore\* for income tax purposes and:
- (a) who does not have a permanent establishment<sup>^</sup> in Singapore (other than a fund manager in Singapore); or
  - (b) who carries on any operation in Singapore through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used to acquire the Stapled Securities are not obtained from that operation.
3. Holders are required to complete the applicable Section A, B, C, D or E if they fall within the categories (b) to (f) stated under Note 1 or Section D if they qualify as a foreign non-individual investor/foreign fund as described under Note 2.
4. The H-REIT Trustee, the H-REIT Manager and the HBT Trustee-Manager will rely on the declarations made in Form A to determine (i) if tax is to be deducted for the categories of Holders listed in (b) to (f) under Note 1; and (ii) if tax is to be deducted at the rate of 10% for distributions to foreign non-individual investors and foreign funds. The reduced concessionary tax rate of 10% will expire for distributions made after 31 December 2025 unless this concession is extended. Please therefore ensure that the appropriate section of the Form A is completed in full and legibly and is returned to Boardroom Corporate & Advisory Services Pte. Ltd. within the stipulated time limit. Failure to comply with any of these requirements will render Form A invalid and therefore, the H-REIT Trustee, the H-REIT Manager and the HBT Trustee-Manager will be obliged to deduct tax at the prevailing corporate tax rate from the distributions in respect of which the declaration is made.
5. **Holders who fall within class (a) under Note 1 of Paragraph A are not required to submit Form A.**
6. Holders who do not fall within the classes of Holders listed in Note 1 of Paragraph A and Note 2 of Paragraph A above can choose not to return Form A as tax will be deducted from the distributions made to them at the prevailing corporate tax rate in any case.
7. Holders who hold the Stapled Securities jointly (where at least one of the joint holders is not an individual) or through nominees do not have to return Form A.
8. The H-REIT Trustee, the H-REIT Manager and the HBT Trustee-Manager will deduct tax at the prevailing corporate tax rate from distributions made out of CDLHT's taxable income that is not taxed at CDLHT's level, in respect of Stapled Securities held by depository agents except where the beneficial owners of these securities are:
- (a) Individuals and the Stapled Securities are not held through a partnership in Singapore;

- (b) Qualifying Holders (as listed in categories (b) to (f) under Note 1; or
- (c) Foreign non-individual investors or foreign funds<sup>@</sup>.

For Stapled Securities held through the depository agents, the depository agents must complete the “*Declaration by Depository Agents for Singapore Tax Purposes Form B*” (“**Form B**”) and its annexes (Annex B1 for individuals, Annexes B2 and B2.1 for qualifying Holders and Annex B3 for foreign non-individuals/foreign funds).

9. Form A and Form B (and its annexes) will be sent to Holders and depository agents respectively, by the Stapled Security Registrar of CDLHT, Boardroom Corporate & Advisory Services Pte. Ltd., on or around 10 August 2023.
10. Holders (Form A) and the depository agents (Form B and its annexes) will have to complete the forms legibly and send it to the Stapled Security Registrar of CDLHT such that it is received by **5.00 p.m. on Friday, 18 August 2023**. The H-REIT Trustee, the H-REIT Manager and the HBT Trustee-Manager will rely on the declarations made in Form A and Form B to determine if tax is to be deducted. Failure to comply with any of these requirements will render Form A and Form B invalid and the H-REIT Trustee, the H-REIT Manager and the HBT Trustee-Manager will be obliged to deduct the appropriate amount of tax from the distribution in respect of which this announcement is made.
11. Holders who hold Stapled Securities under the Central Provident Fund Investment Scheme (“**CPFIS**”) and Supplementary Retirement Scheme (“**SRS**”) do not have to return any Form as they will receive gross distributions as long as the distributions are paid to their respective CPFIS or SRS accounts.

## **B. Tax-exempt income**

The tax-exempt income component of the distribution is exempt from tax in the hands of all Holders. No tax will be deducted at source from this component.

## **C. Capital component**

The capital component of the distribution represents a return of capital to Stapled Securityholders for tax purposes and is therefore not subject to income tax. For Stapled Securityholders who hold the Stapled Securities as trading assets, the amount of capital distribution will be applied to reduce the cost base of their Stapled Securities for purpose of calculating the amount of taxable trading gains arising from the disposal of the Stapled Securities. No tax will be deducted at source from this component.

<sup>@</sup> A foreign fund refers to a non-resident fund that qualifies for tax exemption under Section 13D, 13U or 13V of the Income Tax Act 1947.

<sup>\*</sup> A company is a non-resident of Singapore if the management and control of its business for the preceding year and from the beginning of this year to the date of this declaration was exercised outside Singapore and there is no intention, at the time of this declaration, to change the tax residence of the company to Singapore.

<sup>^</sup> Under Section 2 of the Income Tax Act 1947, permanent establishment means a fixed place where a business is wholly or partly carried on including a place of management, a branch, an office, a factory, a warehouse, a workshop, a farm or plantation, a mine, oil well, quarry or other place of extraction of natural resources, a building or work site or a construction, installation or assembly project. A person shall be deemed to have a permanent establishment in Singapore if it:

- (i) carries on supervisory activities in connection with a building or work site or a construction, installation or assembly project; or
- (ii) has another person acting on that person's behalf in Singapore who:
  - (a) has and habitually exercises an authority to conclude contracts;
  - (b) maintains stock of goods or merchandise for the purpose of delivery on its behalf; or
  - (c) habitually secures orders wholly or almost wholly for that person or for such other enterprises as are controlled by that person.

## IMPORTANT REMINDER

Holders and the depository agents must complete and return the “*Declaration for Singapore Tax Purposes Forms A and B (and its annexes)*”, respectively to Boardroom Corporate & Advisory Services Pte. Ltd.’s office by 5.00 p.m. on Friday, 18 August 2023 in order to receive the distributions either at gross or at net (after deduction of tax at 10%) as described above.

## DECLARATION IN INCOME TAX RETURN

The distribution is considered as income for the year 2023. Beneficial owners of the distribution, other than those who are exempt from tax on the distribution or who are entitled to the reduced rate of 10%, are required to declare the Taxable Income component of the distribution as taxable income in their income tax return for the Year of Assessment 2024.

## DISTRIBUTION POLICY

Distributions from CDLHT comprise distributions from H-REIT and HBT (if any), derived substantially from rental income and cash flows generated from operations of its portfolio hotels after deducting all expenses incurred.

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.

Distributions will be made on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year.

For full details on the calculation of the distributions, please refer to pages FS10 of the Condensed Interim Financial Statements for the period, which is available on the SGX-ST website at the URL <https://www.sgx.com/securities/company-announcements> and the CDLHT’s website at URL <https://www.cdlht.com>.

## IMPORTANT DATES AND TIMES

Date/Deadline	Event
5.00 p.m. on Monday, 7 August 2023	Closing of the Transfer Books and Register of Stapled Securityholders of CDLHT
5.00 p.m. on Friday, 18 August 2023	Holders and depository agents must have completed and returned the “ <i>Declaration for Singapore Tax Purposes Form A and Form B</i> ” to the Stapled Security Registrar, Boardroom Corporate & Advisory Services Pte. Ltd.
Tuesday, 29 August 2023	Payment of Distribution

Should Holders have any queries in relation to these procedures, please do not hesitate to contact

Mandy Koo / Joey Ho  
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M&C REIT Management Limited  
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BY ORDER OF THE BOARD

Soo Lai Sun  
Company Secretary  
M&C REIT Management Limited  
(Company Registration Number 200607091Z)  
as manager of CDL Hospitality Real Estate Investment Trust

28 July 2023

BY ORDER OF THE BOARD

Soo Lai Sun  
Company Secretary  
M&C Business Trust Management Limited  
(Company Registration Number 200607118H)  
as trustee-manager of CDL Hospitality Business Trust

28 July 2023

**IMPORTANT NOTICE**

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of the REIT Manager and the Trustee-Manager (together with the REIT Manager, the **"Managers"**) on future events.

The value of the stapled securities in CDLHT (the **"Stapled Securities"**) and the income derived from them, may fall or rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers or any of its affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on the Singapore Exchange Securities Trading Limited (**"SGX-ST"**). Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Stapled Securities.

The past performance of CDLHT is not necessarily indicative of the future performance of CDLHT.