



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

ACQUISITION OF BENSON YARD, A PURPOSE-BUILT STUDENT ACCOMMODATION ASSET IN LIVERPOOL, UNITED KINGDOM

1. INTRODUCTION

M&C REIT Management Limited, as manager of CDL Hospitality Real Estate Investment Trust (“**H-REIT**”, and as manager of H-REIT, the “**H-REIT Manager**”), and M&C Business Trust Management Limited, as trustee-manager of CDL Hospitality Business Trust (“**HBT**”, and as trustee-manager of HBT, the “**HBT Trustee-Manager**” and together with the H-REIT Manager, the “**Managers**”, and H-REIT and HBT together, “**CDLHT**”) are pleased to announce that CDL HREIT Investments (IV) Property Limited (“**H-REIT PropCo**”), an indirect wholly-owned subsidiary of H-REIT, and CDL HBT Investments (IV) Property Limited (“**HBT PropCo**”), an indirect wholly-owned subsidiary of HBT, have today entered into an asset purchase agreement with NR Crux Ltd (in administration) (the “**Benson Yard Vendor**”), NR Lyra Ltd (in administration) (the “**Vacant Land Vendor**” and together with the Benson Yard Vendor, the “**Vendors**”) and the administrators of the Vendors (the “**Administrators**”), and completed the acquisition of freehold land containing an operational Purpose-Built Student Accommodation (“**PBSA**”) asset located on the south east side of Benson Street, Liverpool, United Kingdom (“**Benson Yard**”) from the Benson Yard Vendor and the vacant freehold land located adjacent to Benson Yard (the “**Vacant Land**” and together with Benson Yard, the “**Property**”) from the Vacant Land Vendor, respectively, for a total consideration of £37.3 million (S\$63.9 million¹) (the “**Purchase Consideration**”, the agreement for the acquisition of the Property, the “**Asset Purchase Agreement**” and the acquisition of the Property, the “**Acquisition**”).

2. OVERVIEW OF THE PROPERTY

2.1 Property Information

The Property comprises the freehold land at Benson Street, Liverpool, United Kingdom, registered at HM Land Registry under Title Numbers MS639801 and MS683513.

¹ Unless otherwise stated in this announcement, all conversions between £ and S\$ are based on an assumed exchange rate of £1.00 = S\$1.7128.

2.1.1 About Benson Yard

Benson Yard is a 404-bed operational PBSA, opened in February 2023. The consideration for the Acquisition is mainly attributed to the operational PBSA. A summary of the specifications of Benson Yard is as follows:

Practical Completion	January 2023
Opening Date	February 2023
Address	18 Benson Street, Liverpool L1 2ST, United Kingdom
Land Title	Freehold
Gross Internal Area	124,355 sq ft
Number of Beds	404
Average Room Size	<ul style="list-style-type: none">▪ Ensuite: 12 sqm – 19 sqm (5-bed, 7-bed and 8-bed clusters)▪ Studio: 23 sqm – 29 sqm
Other Facilities	1,092 sqm (2.7 sqm per bed) of amenity space, comprising: <ul style="list-style-type: none">▪ Multiple games, lounging, private and social study areas▪ Multi-use studio/cinema room▪ Private dining area▪ Gym▪ Sky lounge with city view▪ Sheltered and spacious outdoor courtyard area
EPC Rating	“B” Rating
Operator	Fresh Property Group Limited (five-year term till 14 February 2028)

2.1.2 About Vacant Land

The Vacant Land is a development site, adjacent to Benson Yard, with planning consent for a 144-key hotel. As part of the Acquisition, the Vacant Land will be acquired by the HBT PropCo. For avoidance of doubt, the consideration for the Vacant Land is £1.

The HBT Trustee-Manager will explore and consider different options for the Vacant Land. While the Vacant Land has received planning consent to build a hotel, further feasibility studies will need to be conducted to determine the best use and returns. Other options include development of another PBSA block (subject to planning consent) in lieu of the hotel, which could serve to complement the existing Benson Yard.

2.2 Details of the Property

Benson Yard will continue to be operated under an existing property management agreement dated 4 July 2022 (the “**Existing Property Management Agreement**”) with Fresh Property Group Limited (“**Fresh**”), a third party property management company. H-REIT PropCo and the Benson Yard Vendor has entered into a novation agreement to novate the Existing Property Management Agreement to H-REIT PropCo.

Fresh is a reputable and leading third party manager of residential-for-rent assets (mainly PBSAs) with circa 19,000 units under management, across 58 operational properties across the UK and Ireland. Fresh has experience working with numerous institutional PBSA owners. Established in 2010, Fresh has been providing quality student accommodation services for 14 years, winning several awards such as ‘Best Private Student Housing (UK & Ireland)’ three times in a row², and awarded Platinum Certified Operator status two years running by Global Student Living³.

Benson Yard follows the typical PBSA letting cycle which begins in September in a current year and ends in August the following year (“**Academic Year**” or “**AY**”). As of 10 December 2024, Benson Yard achieved an occupancy of 95% for AY 24/25 (1 Sep 2024 to 31 Aug 2025) based on signed leases.

2.3 Location and Accessibility

The Property is located at 18 Benson Street, a prime central location in Liverpool. It is situated close to the University of Liverpool (11-minute walk) and Liverpool John Moores University (7-minute walk). Bold street, a well-known F&B area, is within a 4-minute walk while Liverpool ONE, the main shopping area in Liverpool, is a 10-minute walk on foot. The Property is also a 30-minute bus ride to Anfield Stadium, the home stadium of Liverpool Football Club.

The Property boasts convenient accessibility, being within a 5-minute walk to Liverpool Central Station and an 8-minute walk to Liverpool Lime Street Station, offering strong connectivity to the rest of the country, such as Manchester, Birmingham and London.

3. RATIONALE FOR THE ACQUISITION

The Managers believe that the Acquisition will bring the following key benefits to CDLHT and holders of Stapled Securities⁴ (“**Security Holders**”):

3.1 Stable Long-term Growth and Income Resilience

In 2021, CDLHT expanded its investment mandate beyond hospitality assets to include other adjacent living assets including PBSA and Build-to-Rent (“**BTR**”). Broadening CDLHT’s investment strategy into longer stay living asset class supports long-term growth through asset class diversification which reduces portfolio risk, enhances income stability, and expands the total addressable market for CDLHT.

² Source: Global Student Living, GSL Awards UK & Ireland Finalists and Winners 2024.

³ Source: Fresh Property Group, Awards and Recognition.

⁴ Each “**Stapled Security**” comprises one unit in H-REIT and one unit in HBT stapled together under the terms of the stapling deed dated 12 June 2006 (as amended, varied and supplemented from time to time) entered into between the H-REIT Manager, H-REIT Trustee, and the HBT Trustee-Manager.

Since the first foray into the BTR asset class through the investment of The Castings in 2021 via a forward funding scheme, this Acquisition will be CDLHT's second investment into the living asset class and maiden investment into the PBSA sector. Benson Yard will deliver incremental base rental income through leases with individual students. Additionally, PBSA assets have different demand drivers from traditional hospitality assets. Benson Yard will contribute to a more diversified and balanced income profile, aligning with CDLHT's broader strategic objectives for stable long-term growth and income resilience.

Benson Yard will also be contributing longer duration rental income as it will be leased out to students who typically rent for 44 or 51 weeks. This will lend more stability in income and tenure due to longer underlying tenant length of stay.

3.2 Growing 18-Year-old UK Population and Increasing Higher Education Participation Rate

The Universities and Colleges Admissions Service (“UCAS”) in the UK is forecasting a significant growth in demand for post-secondary education over the remainder of the decade, with 2030 seeing up to a million undergraduate applicants⁵. This is projected to double the number of applicants seen in 2006, and grow by about 33% from 752,210 applicants seen in 2024⁶. This is driven by an increasing 18-year-old UK population, with the Office for National Statistics of the UK forecasting that there could be nearly 900,000 18-year-olds in the population in 2030 – an increase from nearly 700,000 in 2020⁵.

3.3 New Best-in-Class PBSA

Opened in February 2023, Benson Yard is a new, best-in-class asset which offers a competitive edge over older PBSA properties in Liverpool, as around 20% of the city's PBSA beds opened after 2019⁷. It houses top-notch amenities and thoughtfully designed spaces to create a conducive and sociable living environment for students. Benson Yard offers market leading and very generous amenity provision of 2.7 sqm per bed, including a superb 10th floor sky lounge with expansive views of the city.

Benson Yard has dedicated areas for gaming and lounging, as well as private and group study areas. A 58 sqm multi-purpose room serves as both a yoga/dance studio and cinema. Additionally, students have access to an 87 sqm gym and a sheltered outdoor courtyard for relaxation. Benson Yard is ranked third on StudentCrowd for student accommodation in Liverpool⁸.

3.4 Excellent Location

Benson Yard is located within walking distance to the two main universities in Liverpool - University of Liverpool (part of the Russell Group) and Liverpool John Moores University. It is also near the city's main rail terminals, namely Liverpool Lime Street and Liverpool Central. In addition, it is a 4-minute walk to Bold Street, renowned for its eclectic mix of independent shops, restaurants, cafes, and boutiques and a 10-minute walk to Liverpool ONE which is the prime retail area in Liverpool. Given the vibrant football culture in UK and Liverpool, being a 30-minute

⁵ Source: Universities and Colleges Admissions Service (UCAS), “What is the journey to a million?”, (<<https://www.ucas.com/about-us/journey-million/what-journey-million>> last accessed 18 December 2024)

⁶ Source: Universities and Colleges Admissions Service (UCAS), Undergraduate End of Cycle Data Resources 2024, (<<https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-data-resources-2024>> last accessed 18 December 2024)

⁷ Source: Knight Frank Valuation Report dated 18 December 2024

⁸ Source: StudentCrowd, Best Student Accommodation in Liverpool, (<<https://www.studentcrowd.com/student-accommodation-l1003919-liverpool>> last accessed 18 December 2024)

bus ride to Anfield Stadium (home of Liverpool Football Club), adds to asset's attractiveness for students who are football fans.

Along with its generous amenity space provision, the asset's prime location makes it desirable for students, which enhances the asset's defensiveness and resiliency.

3.5 Attractive Russell Group Student Market

Liverpool is home to five higher education institutions, namely University of Liverpool, Liverpool John Moores University, Liverpool Hope University, Liverpool Institute for Performing Arts and Liverpool School of Tropical Medicine. It is a deep market with over 55,000 full-time students across these five institutions for AY 22/23. From AY 16/17 to AY 22/23, the student population for the five education institutions grew at a compound annual growth rate of 2.3%⁹.

University of Liverpool, the top university in Liverpool, is part of the Russell Group. The Russell Group consists of 24 members who are world-class, research-intensive universities in the UK. They maintain excellent research, an outstanding teaching and learning experience and unrivalled links with local and national business and the public sector¹⁰.

University of Liverpool is a key source of Benson Yard's tenants and has an enrolment of 26,515 full-time students for AY 22/23¹¹, making up almost half of the full-time students in Liverpool. The university continues to see strong interest and received over 43,000 admission applications in 2023¹².

Liverpool PBSA rental growth increased by 6.6% from AY 23/24 to 24/25¹³. PBSA rents in Liverpool are relatively more affordable compared to other Russell Group markets and this provides headroom for future rental growth and helps to ensure that it will continue to have appeal across local and international student demographics.

3.6 The Acquisition is Expected to be Accretive on a *Pro Forma* Basis

The Acquisition is expected to be accretive to Security Holders based on the *pro forma* financial effects of the Acquisition on the distribution per Stapled Security ("DPS") of CDLHT.

Based on the total cost of the Acquisition (the "**Total Acquisition Cost**") of £40.6 million (approximately S\$69.5 million) and assuming the Acquisition had been completed on 1 January 2024, the Acquisition is expected, on a *pro forma* basis, to have contributed net property income of £2.1 million (S\$3.6 million)¹⁴ based on AY 24/25 signed leases, translating to a DPS accretion of 1.3%¹⁵.

Based on AY 24/25 rents for the signed leases, the *pro forma* net property income yield of the Property is approximately 5.6%. This has not included any additional leases to be signed and summer income for the rest of this academic year. The Property has not fully stabilised yet,

⁹ Source: Higher Education Statistics Agency (HESA), "Who's studying in HE?", 12 September 2024

¹⁰ Source: UK Education Guide, "Russell Group", (<<https://ukeducationguide.com/russell-group/>>, last accessed 18 December 2024)

¹¹ Source: Higher Education Statistics Agency (HESA), "Where do HE students study?", 12 September 2024

¹² Source: UCAS Undergraduate End of Cycle Data Resources 2023, (<<https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-data-resources-2023>> last accessed 18 December 2024)

¹³ Source: Knight Frank Valuation Report dated 18 December 2024

¹⁴ Refer to Section 7.2.1 for more information

¹⁵ Excludes Hotel Indigo Exeter

hence there is also potential for upside in future academic years when the Property has solidified its reputation and garnered more brand awareness.

4. VALUATION

The Managers and DBS Trustee Limited, in its capacity as the trustee of H-REIT, have commissioned Knight Frank LLP (the “**Independent Valuer**”) to provide an opinion on the market value of the Property. The valuation was undertaken in accordance with the RICS Valuation - Global Standards, which incorporates the International Valuation Standards.

The Independent Valuer has valued the Property at £39.4 million (approximately S\$67.6 million) as at 29 November 2024, using the capitalisation method for Benson Yard and the residual land value method for the Vacant Land (the “**Property Independent Valuation**”) ¹⁶ with reference to relevant market evidence. The Purchase Consideration of £37.3 million (approximately S\$63.9 million) is 5.4% below the Property Independent Valuation.

The Purchase Consideration is also lower than the total replacement cost of Benson Yard, indicating that the price is favourable compared to the current cost of constructing a similar PBSA building of the same standard.

5. DETAILS OF THE ACQUISITION

5.1 Certain Principal Terms of the Asset Purchase Agreement

The principal terms of the Asset Purchase Agreement include, among others:

- (i) the completion of the Acquisition shall take place on the date of the Asset Purchase Agreement (the “**Completion Date**”);
- (ii) the payment of the Purchase Consideration in cash to the Vendors on the Completion Date less the aggregate sum of the retentions held by the Benson Yard Vendor under the trade contracts entered into with the Contractors (as defined in the Asset Purchase Agreement) (the “**Retentions**”) of £0.3 million (approximately S\$0.5 million) (the “**Retentions Security Deduction**”) in relation to the rectification of defects in the Property, which shall be held by the H-REIT PropCo on the Completion Date;
- (iii) the payment of the Retentions or a proportion of the Retentions from the Retentions Security Deduction to the Benson Yard Vendor provided that the Benson Yard Vendor provides evidence in accordance with Clause 2.7.3 of the Asset Purchase Agreement that the Retentions or a proportion of the Retentions have been settled with the relevant Contractors within 28 days of the Completion Date; and
- (iv) the requirement for the Benson Yard Vendor and the H-REIT PropCo to enter into a novation agreement of the Existing Property Management Agreement on the Completion Date.

¹⁶ The Independent Valuer excludes all liability in respect of the Independent Valuation to any parties not named as addressees within the Independent Valuation.

6. ESTIMATED COST OF THE ACQUISITION AND SOURCE OF FUNDS

The Total Acquisition Cost is estimated to be £40.6 million (S\$69.5 million) comprising:

- (a) the Purchase Consideration of £37.3 million (approximately S\$63.9 million), which will be paid in cash;
- (b) estimated stamp duty expected to be incurred for the Acquisition of £1.8 million (approximately S\$3.1 million);
- (c) the total acquisition fees payable to the H-REIT Manager and the HBT Trustee-Manager under the H-REIT Trust Deed¹⁷ and HBT Trust Deed¹⁸ respectively for the Acquisition of £0.4 million (approximately S\$0.6 million); and
- (d) other transaction expenses and professional fees incurred in connection with the Acquisition of £1.1 million (approximately S\$1.9 million).

The Managers intend to fund the Total Acquisition Cost via debt financing. Assuming the Acquisition had been completed on 30 September 2024, the gearing ratio of CDLHT would be 40.2%¹⁹ on a *pro forma* basis as at 30 September 2024.

7. PRO FORMA FINANCIAL EFFECTS

As Benson Yard only opened in February 2023 and was still in its initial phase of operations in FY 2023, the performance and financials for FY 2023 are not representative of the stabilised state. Additional information on the *pro forma* effects of the Acquisition have been prepared in Section 7.2 based on the following assumptions:

- (a) Unaudited financial statements of CDLHT for first half of 2024 (annualised) for base portfolio; and
- (b) Benson Yard's rent for AY 24/25 (ie. 1 September 2024 to 31 August 2025) based on signed leases and adjusted historical operating expenses based on AY 23/24 and inflated at 3%.

The Managers are of the view that the presentation of such information in Section 7.2 will be more relevant and meaningful to Security Holders to understand the current trading performance of Benson Yard.

7.1 Pro Forma Financial Effects for FY 2023

The *pro forma* financial effects of the Acquisition on the DPS and net asset value (“NAV”) per Stapled Security presented below are strictly for illustrative purposes and were prepared based on the audited financial statements of CDLHT for the financial year ended 31 December 2023 (the “**CDLHT FY 2023 Audited Financial Statements**”) and the matters and assumptions as

¹⁷ The trust deed constituting H-REIT dated 8 June 2006 as amended, varied and supplemented from time to time.

¹⁸ The trust deed constituting HBT dated 12 June 2006 as amended, varied and supplemented from time to time.

¹⁹ Excludes Hotel Indigo Exeter. Including Hotel Indigo Exeter, the gearing ratio would be 40.9%. Gearing ratio is derived based on the total assets (excluding the effect of FRS 116/SFRS(I) Leases (adopted with effect from 1 January 2019)) and total gross borrowings, aggregated on a proportionate basis based on CDLHT's share of each subsidiary.

stated under the respective sections, taking into account the Total Acquisition Cost and assuming the Acquisition is 100% financed through borrowings.

7.1.1 Pro Forma Distribution per Stapled Security for FY 2023

The following table sets forth the *pro forma* financial effects of the Acquisition on the DPS of CDLHT for FY 2023, as if the Acquisition had been completed on 1 January 2023 and CDLHT had operated the Property through to 31 December 2023.

Pro forma financial effects of the Acquisition for FY 2023		
	Before the Acquisition⁽¹⁾	After the Acquisition
Net Property Income of CDLHT (S\$'000)	138,304	138,957 ⁽²⁾
Distributable Income of CDLHT (S\$'000)⁽³⁾	70,970	70,246
Stapled Securities entitled for distribution ('000)	1,247,300	1,247,412
DPS (cents)⁽⁴⁾	5.70	5.64
Distribution Yield (%)⁽⁵⁾	6.71	6.64

Notes:

- (1) Based on the CDLHT FY 2023 Audited Financial Statements.
- (2) Based on Benson Yard's historical net property income of S\$0.7 million for FY 2023, as if the Acquisition had been completed on 1 January 2023 using the historical exchange rate for FY 2023.
- (3) The distributable income of CDLHT (after deducting income retained for working capital and including capital distribution) represents the aggregate of distributions by H-REIT and HBT.
- (4) DPS is derived based on the distributable income of CDLHT (after deducting income retained for working capital and including capital distribution) over the number of Stapled Securities entitled for distribution.
- (5) Based on the closing market price of the Stapled Securities of S\$0.85 as at 17 December 2024.

7.1.2 Pro Forma Net Asset Value per Stapled Security for FY 2023

The following table sets forth the *pro forma* financial effects of the Acquisition on the NAV per Stapled Security as at 31 December 2023, as if the Acquisition had been completed on 31 December 2023.

Pro forma financial effects of the Acquisition as at 31 December 2023		
	Before the Acquisition⁽¹⁾	After the Acquisition
Net Asset Value of CDLHT (S\$'000)	1,878,446	1,876,505 ⁽²⁾
Stapled Securities issued and to be issued ('000)	1,251,724	1,251,724
Net Asset Value per Stapled Security (S\$)	1.50	1.50

Notes:

- (1) Based on the CDLHT FY 2023 Audited Financial Statements.
- (2) Includes the valuation of the Property as valued by the Independent Valuer translated at the historical exchange rate for FY 2023

7.1.3 Pro Forma Capitalisation for FY 2023

The following table sets forth the *pro forma* financial effects of the Acquisition on the capitalisation of CDLHT as at 31 December 2023, as if the Acquisition had been completed on 31 December 2023.

Pro forma financial effects of the Acquisition as at 31 December 2023		
	Before the Acquisition⁽¹⁾	After the Acquisition
Total Assets (S\$'000)	3,302,634	3,369,362 ⁽²⁾
Total Gross Borrowings (S\$'000)⁽³⁾	1,156,447	1,224,671
Total Security Holders' Funds (S\$'000)	1,878,446	1,876,505
Total Capitalisation (S\$'000)	3,034,893	3,101,176

Notes:

- (1) Based on the CDLHT FY 2023 Audited Financial Statements.
- (2) Includes the valuation of the Property as valued by the Independent Valuer translated at the historical exchange rate for FY 2023.
- (3) Excluded from total gross borrowings are lease liabilities which are secured over the finance lease receivables and right-of-use assets

7.2 Pro Forma Financial Effects for Annualised 1H2024

The *pro forma* financial effects of the Acquisition on the DPS presented below are strictly for illustrative purposes and were prepared based on the unaudited financial statements of CDLHT for first half 2024 ending on 30 June 2024 (the “**CDLHT 1H2024 Unaudited Financial Statements**”) and the matters and assumptions as stated under the respective sections, taking into account the Total Acquisition Cost and assuming the Acquisition is 100% financed through borrowings.

7.2.1 Pro Forma Distribution per Stapled Security

The following table sets forth the *pro forma* financial effects of the Acquisition on the DPS of CDLHT for 1H2024 annualised, as if the Acquisition had been completed on 1 January 2024.

Pro forma financial effects of the Acquisition for Annualised 1H2024		
	Before the Acquisition⁽¹⁾	After the Acquisition
Net Property Income of CDLHT (S\$'000)	133,066	136,622 ⁽²⁾
Distributable Income of CDLHT (S\$'000)⁽³⁾	63,011	63,724
Stapled Securities entitled for distribution ('000)	1,258,531	1,258,672
DPS (cents)⁽⁴⁾	5.01	5.07
Distribution Yield (%)⁽⁵⁾	5.89	5.97

Notes:

- (1) Based on the annualised CDLHT 1H2024 Unaudited Financial Statements.
- (2) Based on Benson Yard's net property income of S\$3.6 million, calculated as if the Acquisition had been completed since 1 January 2024. This calculation uses revenue derived from the actual Assured Shorthold Tenancies (i.e. leases) signed for AY 24/25 as at 10 December 2024 (which has not included summer and miscellaneous income and any additional leases to be signed for the rest of the AY). Operating expenses are based on adjusted historical operating expenses in AY 23/24, inflated at 3.0%.
- (3) The distributable income of CDLHT (after deducting income retained for working capital and including capital distribution) represents the aggregate of distributions by H-REIT and HBT.
- (4) DPS is derived based on the distributable income of CDLHT (after deducting income retained for working capital and including capital distribution) over the number of Stapled Securities entitled for distribution.
- (5) Based on the closing market price of the Stapled Securities of S\$0.85 as at 17 December 2024.

8. DISCLOSEABLE TRANSACTION

8.1 Discloseable Transactions – Chapter 10 of the Listing Manual

Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”) governs the acquisition or disposal of assets, including options to acquire or dispose of assets, by CDLHT. Such transactions are classified into the following categories:

- (i) non-discloseable transactions;
- (ii) discloseable transactions;
- (iii) major transactions; and
- (iv) very substantial acquisitions or reverse take-overs.

A proposed transaction by CDLHT may fall into any of the categories set out above depending on the size of the relative figures computed on the following bases of comparison:

- (a) the net profits attributable to the assets to be acquired or disposed of, compared with CDLHT’s net profits pursuant to Rule 1006(b) of the Listing Manual; and
- (b) the aggregate value of the consideration given or received, compared with CDLHT’s market capitalisation based on the total number of issued Stapled Securities pursuant to Rule 1006(c) of the Listing Manual.

Rule 1006(a) of the Listing Manual is not applicable to the Acquisition as CDLHT will not be disposing of any assets under the Acquisition.

Rule 1006(d) of the Listing Manual is not applicable to the Acquisition as CDLHT will not be issuing any Stapled Securities as consideration for the Acquisition.

8.2 The Acquisition

The relative figures computed on the bases set out in Rules 1006(b) and 1006(c) of the Listing Manual in respect of the Acquisition are as follows:

	The Acquisition (S\$ millions)	CDLHT (S\$ millions)	Relative Figures (%)
<u>Rule 1006(b)</u> Net profits attributable to the assets to be acquired or disposed of, compared with CDLHT’s net profits	2.6 ⁽¹⁾	137.4 ⁽²⁾	1.9%
<u>Rule 1006(c)</u> Aggregate value of the consideration given or received, compared with CDLHT’s market capitalisation based on the total number of issued Stapled Securities	63.9 ⁽³⁾	1,068.3 ⁽⁴⁾	6.0%

Notes:

- (1) Based on the annualised net property income ascribed to the Property for year-to-date (“YTD”) September 2024.
- (2) Based on the annualised net property income of CDLHT for YTD Sep 2024.
- (3) Based on the Purchase Consideration of £37.3 million (S\$63.9 million), excluding transaction costs.
- (4) Based on the closing market price of the Stapled Securities of S\$0.85 per Stapled Security as at 17 December 2024 which is the market date preceding the date of the Asset Purchase Agreement.

Under Rule 1010 of the Listing Manual, where any of the relative figures computed on the bases set out above exceeds 5% but does not exceed 20%, the Acquisition is regarded as being a discloseable transaction.

9. OTHER INFORMATION

9.1 Interests of Directors and Substantial Security Holders

Based on the information available to the Managers as at the date of this announcement, none of the directors of the Managers or the Substantial Security Holders have any interest, direct or indirect, in relation to the Acquisition.

9.2 Directors' Service Contracts

No person is or is proposed to be appointed as a director of the Managers in connection with the Acquisition.

9.3 Incorporation of Subsidiaries

In connection with the Acquisition, the following subsidiaries have been incorporated:

Name	Country of Incorporation	Remarks
CDL HBT Investments (IV) Pte. Ltd.	Singapore	Wholly-owned subsidiary of the HBT Trustee-Manager
CDL HREIT Investments (IV) Property Limited	United Kingdom	Wholly-owned subsidiary of CDL HREIT Investments (II) Limited
CDL HBT Investments (IV) Property Limited	United Kingdom	Wholly-owned subsidiary of CDL HBT Investments (IV) Pte. Ltd.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Managers²⁰ at 9 Raffles Place, #12-01 Republic Plaza, Singapore 048619 from the date of this announcement up to and including the date falling three months after the date of this announcement:

- (a) the Asset Purchase Agreement; and
- (b) the valuation report on the Property issued by the Independent Valuer.

The H-REIT Trust Deed and the HBT Trust Deed will also be available for inspection at the registered office of the Managers for so long as H-REIT and HBT are in existence.

²⁰ Prior appointment with the Managers is required.

BY ORDER OF THE BOARD

Vincent Yeo Wee Eng
Chief Executive Officer
M&C REIT Management Limited
(Company Registration Number 200607091Z)
as manager of CDL Hospitality Real Estate Investment Trust

19 December 2024

BY ORDER OF THE BOARD

Vincent Yeo Wee Eng
Chief Executive Officer
M&C Business Trust Management Limited
(Company Registration Number 200607118H)
as trustee-manager of CDL Hospitality Business Trust

19 December 2024

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 Managers on future events.

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 respective 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 H-REIT Manager and the HBT Trustee-Manager or any of their respective affiliates redeem or purchase 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 Singapore Exchange Securities Trading Limited (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.

Due to rounding, numbers presented throughout this announcement may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.