



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)

RESPONSE TO SGX'S QUERY ON THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

In response to the query raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in its email dated 9 April 2019, the Boards of Directors of M&C REIT Management Limited, as manager of CDL Hospitality Real Estate Investment Trust (“**H-REIT**”) and M&C Business Trust Management Limited, as trustee-manager of CDL Hospitality Business Trust (“**HBT**”) (collectively, the “**Managers**”), wish to provide further information as follows:

SGX-ST's Query:

Paragraph 9.2 of the Code of Corporate Governance 2012 (the “Code”) states that the company should fully disclose the remuneration of each individual director and the CEO on a named basis. For administrative convenience, the company may round off the disclosed figures to the nearest thousand dollars. There should be a breakdown (in percentage or dollar terms) of each director's and the CEO's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives.

As required under Listing Rule 1207(12) of the Listing Manual, please make disclosure as recommended in the Code; or otherwise disclose and explain any deviation from the recommendation.

Managers' Response:

The Managers refer to page 93 of the Annual Report where the Nominating and Remuneration Committees (“NRCs”) of the Managers had recommended and the Boards of the Managers had assessed and decided to disclose the fee structure for the different roles assumed by the Board and the Board Committees of the Managers as set out in the table below.

The structure of the fees payable to Directors of the H-REIT Manager for FY2018 is as follows:

Appointment	Per Annum
Board of Directors	
- Chairman's Fee	\$80,000*
- Base Fee	\$50,000

Audit and Risk Committee	
- ARC Chairman's Fee	\$70,000
- ARC Member's Fee	\$40,000
Nominating and Remuneration Committee	
- NRC Chairman's Fee	\$10,000
- NRC Member's Fee	\$5,000
Lead Independent Director's Fee	\$10,000

* Inclusive of Base Fee

Page 45 of the Annual Report discloses clearly the roles of each of the directors as follows:

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

Based on the above, the board fees applicable to each individual director has been disclosed in the annual report, with the roles of each of individual director clearly stated on page 45 of the Annual Report and the board fee structure disclosed on page 93 of the Annual Report.

The total board fees payable to the Directors for FY2018 is \$479,300. For clarification, the remuneration payable to the individual Directors (and in the case of the CEO, his board fees) for FY2018 are as follows:

Director	Role	Board Fees
Chan Soon Hee, Eric	Chairman and Non-Executive Director (for the period from 22 June 2018 to 31 December 2018)	\$42,300 [#]
ssFoo Say Mui (Bill)	Lead Independent Director Chairman of Audit and Risk Committee Member of NRC	\$135,000
Vincent Yeo Wee Eng	Executive Director	\$50,000
Ronald Seah Lim Siang	Independent Non-Executive Director Member of Audit and Risk Committee Chairman of NRC	\$100,000
Kenny Kim	Independent Non-Executive Director Member of Audit and Risk Committee	\$90,000
Cheah Sui Ling	Independent Non-Executive Director Member of NRC (NRC member fee for the period from 12 February 2018 to 31 December 2018)	\$54,400 [#]

There was a pro-rated fee of \$7,600[#] paid to Mr Wong Hong Ren, Board Chairman and non-executive director and member of NRC who resigned on 12 February 2018.

[#]Rounding to the nearest hundred

The remuneration (apart from the Board fee) of the CEO, a key management personnel, is not disclosed for reasons provided in page 93 of the Annual Report.

By Order of the Board

Soo Lai Sun
Company Secretary
M&C REIT Management Limited
(Company Registration No. 200607091Z)
as manager of CDL Hospitality Real Estate Investment Trust

12 April 2019

By Order of the Board

Soo Lai Sun
Company Secretary
M&C Business Trust Management Limited
(Company Registration No. 200607118H)
as trustee-manager of CDL Hospitality Business Trust

12 April 2019

IMPORTANT NOTICE

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 redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that the holders of Stapled Securities 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.