



CDL HOSPITALITY TRUSTS



ANNUAL
REPORT
2025



VISION

To be one of the leading hospitality and lodging trusts with a portfolio of quality assets globally, with a commitment to sustainability

MISSION

- To achieve sustainable distributions and growth in total returns by:
- Pursuing quality assets with growth potential
 - Enhancing portfolio performance through active asset management
 - Optimising the portfolio through capital recycling
 - Adopting forward-thinking strategies



On the cover:
Sky Lounge, The Castings (UK BTR)

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Great Room, W Singapore – Sentosa Cove

OVERVIEW OF CDL HOSPITALITY TRUSTS

CORPORATE PROFILE

CDL Hospitality Trusts (“CDLHT”) is a stapled group comprising CDL Hospitality Real Estate Investment Trust (“H-REIT”), the first hotel real estate investment trust in Singapore, and CDL Hospitality Business Trust (“HBT”), a business trust. CDLHT was listed on the Main Board of Singapore Exchange Securities Trading Limited on 19 July 2006.

CDLHT is one of Asia’s leading hospitality trusts with assets under management of S\$3.5 billion and market capitalisation of S\$1.1 billion as at 31 December 2025.

As at 31 December 2025, CDLHT owns 22 properties across 8 countries, with a total of 4,924 hotel rooms, 352 BTR apartments, 404 PBSA beds and a retail mall. The portfolio comprises six hotels and a retail mall in Singapore, two hotels in Australia, one hotel in New Zealand, two hotels in Japan, four hotels and two living assets in the United Kingdom, one hotel in Germany, one hotel in Italy and two resorts in the Maldives. The substantial value of its assets is concentrated in the central locations of Singapore.

The hotel portfolio is operated by lessees and/or hotel managers, which include international hotel management companies such as Millennium Hotels and Resorts, AccorHotels, Marriott International, Inc. and Hilton Hotels and Resorts or white label hotel management companies such as EVENT Hotels and Michels & Taylor. For the living assets, The Castings (UK BTR) is operated by Native Residential Limited, a UK build-to-rent specialist, while Benson Yard (UK PBSA) is operated by Fresh Property Group Limited, one of the UK’s largest student accommodation operators with extensive sector expertise.

CDLHT’s portfolio of quality hotels in Singapore, Australia and New Zealand are largely marketed as “superior” or five-star hotels, and are strategically located in or near the central business districts in key cities or in prime tourist destinations. CDLHT’s only retail mall, Claymore Connect, is located in the main shopping belt of Singapore. Hotel MyStays Asakusabashi and Hotel MyStays Kamata are known as business hotels in the local context and are located within close proximity to major transportation networks and tourist attractions in Tokyo.

CDLHT’s two resorts in the Maldives, which is a top-tier premium destination, renowned for its exclusive “one-island one-resort” concept, offer guests two distinct experiences with beachfront and overwater villas within each resort.

The hotels in the UK are strategically located in prime city centre locations within Cambridge, Exeter and Manchester, close to major popular tourist attractions. Hilton Cambridge City Centre is an upper upscale hotel in the heart of Cambridge. Hotel Indigo Exeter is an upscale lifestyle boutique hotel in Exeter, right on the city’s main retail high street. In Manchester, The Lowry Hotel, a five-star luxury property, offers an elegant riverside experience, while voco Manchester – City Centre is a stylish upscale lifestyle hotel with bold décor and unique design elements.

For the living assets in the UK, The Castings is a residential build-to-rent (“BTR”) asset, located in Manchester, Piccadilly East, a rapidly emerging mixed-use neighbourhood offering excellent connectivity and quality urban living. Benson Yard is a purpose-built student accommodation (“PBSA”) asset situated in a prime central location in Liverpool city centre and within walking distance to the two main universities in Liverpool – the University of Liverpool and Liverpool John Moores University, and is therefore well placed to capture strong student demand.

Beyond the UK, Pullman Hotel Munich, an upscale hotel, is conveniently located near a major business park in Munich, Germany. In Italy, Hotel Cerretani Firenze – MGallery, a four-star hotel, is situated in the heart of Florence’s historic city centre.

In terms of future pipeline, CDLHT has entered into a forward purchase turnkey arrangement for a lifestyle hotel, Moxy Singapore Clarke Quay, with a subsidiary of City Developments Limited (“CDL”) under a conditional development and sale agreement in November 2019, with the development expected to achieve TOP in end 2026 (date subject to change).

CDLHT’S STRATEGY

H-REIT’s principal investment strategy is to invest in a diversified portfolio of income-producing real estate, which is or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes (including, without limitation, hotels, serviced apartments, resorts, motels, other lodging facilities and properties used for rental housing, co-living, student accommodation and senior housing) globally.

HBT’s principal investment strategy is to invest in a diversified portfolio of real estate or development projects, which is or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes (including, without limitation, hotels, serviced apartments, resorts, motels, other lodging facilities and properties used for rental housing, co-living, student accommodation and senior housing) globally and may also include the operation and management of the real estate assets held by H-REIT and HBT.

Generally, investments will be made where such investments are considered to be value-enhancing, DPS accretive or DPS yield accretive or have potential for capital appreciation, and are feasible in the light of regulatory, commercial, political and other relevant considerations.

The objectives of M&C REIT Management Limited, as manager of H-REIT (the “H-REIT Manager”), and M&C Business Trust Management Limited, as trustee-manager of HBT (the “HBT Trustee-Manager”, and collectively the “Managers”) are to maximise the rate of return of Stapled Security Holders and to make regular distributions. The Managers plan to achieve these objectives through the following strategies:



Acquisition Growth Strategy

The Managers will pursue acquisition opportunities of quality assets with growth potential and adopt a medium to long term view to investments, while considering the need for diversification of the portfolio by geography, sub-asset classes within the accommodation space and asset profile. Since 2021, CDLHT has executed on its expanded investment mandate through acquisitions in the living assets sector. Notably, CDLHT entered into a forward-funding scheme for The Castings, a build-to-rent residential development in Manchester which officially opened in July 2024, and expanded into the PBSA sector with the acquisition of Benson Yard in Liverpool in December 2024. These milestone investments underscore CDLHT’s commitment to building a resilient portfolio that supports stable, long-term growth. Further, by complementing its core hotel portfolio with longer-stay accommodation assets, CDLHT has strengthened its resilience and created additional avenues for value creation.

Potential sources of acquisitions by CDLHT are likely to arise from:

- CDLHT’s relationship with the Sponsor, Millennium & Copthorne Hotels Limited (“M&C”) and CDL. M&C is an international hotel owner and operator and a wholly owned subsidiary of CDL, a leading global real estate company listed in Singapore. CDLHT can leverage on CDL’s and the Sponsor group’s expertise, market reach and tap on the group’s network in the global hospitality and living sectors for its acquisitions. In addition, CDLHT can seek partnership and co-operation opportunities with CDL and the Sponsor group as it expands globally. CDL and the Sponsor group also provide a source of potential acquisition pipeline.
- Opportunities arising from divestment of assets by hospitality service providers seeking to redeploy capital for business expansion.
- Opportunities arising from divestment of assets by owners, developers or investment funds with defined exit horizons.
- Opportunities to acquire under-performing assets with turnaround potential, where value-added strategies such as re-flagging, management change, or asset enhancement can unlock performance.

Asset Management Strategy

The Managers actively engage with their master lessees and operators/property managers to maximise asset operating performance and cash flow, benchmarking the operating results of each asset against market performance, prior-year results, and planned budgets. Where targets are not met, the Managers conduct reviews and work closely with master lessees and operators/property managers to develop and implement action plans to improve performance. The Managers also leverage on CDLHT’s relationship with the Sponsor group and associated economies of scale and tap on the Sponsor’s extensive experience in the hospitality and living sectors. In addition, the Managers undertake various asset enhancement initiatives to optimise asset potential and quality, enhancing the overall value and competitiveness of CDLHT’s portfolio.

Capital Recycling Strategy

The Managers monitor and evaluate the potential of the properties under management and assess opportunities for divestment periodically. Divestments may be undertaken to recycle capital in search of better growth prospects and returns, rebalance the portfolio and/or unlock underlying asset values, so as to optimise returns for Stapled Security Holders or achieve greater financial flexibility.

Capital And Risk Management Strategy

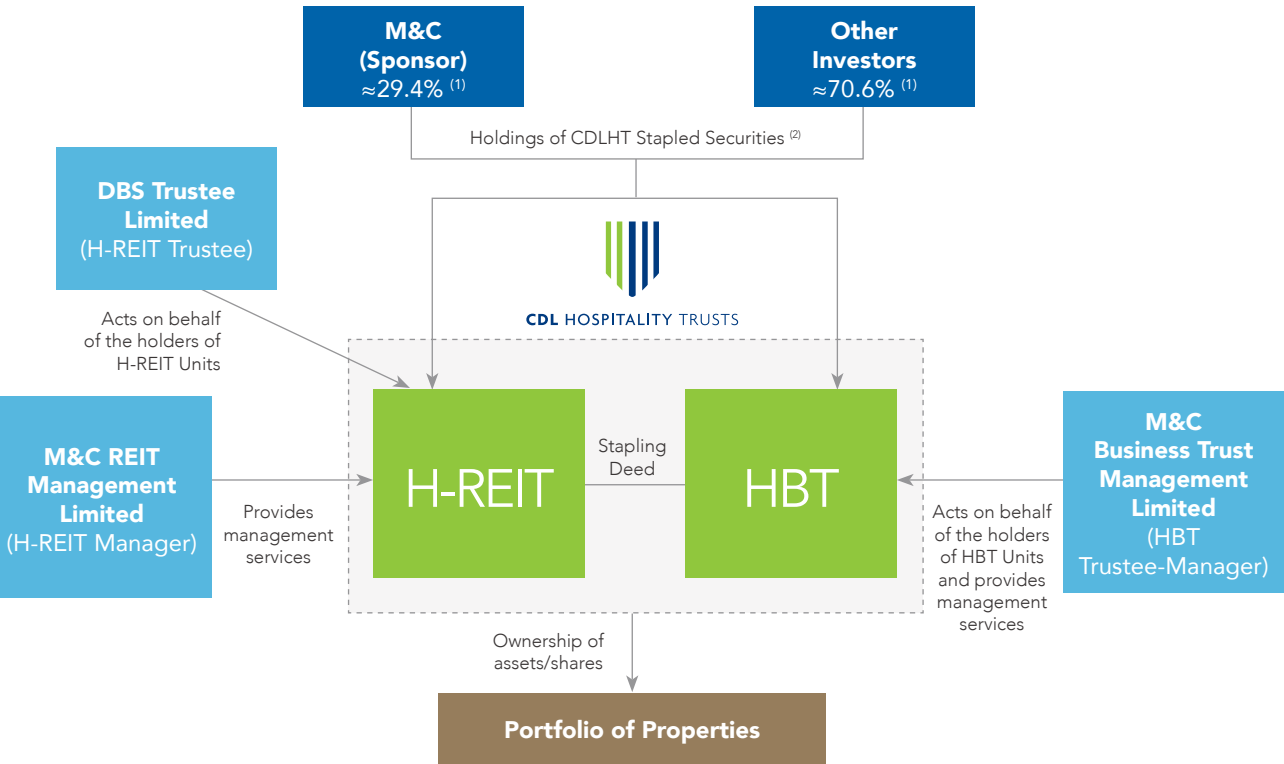
CDLHT endeavours to achieve an optimal capital structure through a robust and disciplined approach towards capital and risk management. Acquisitions and asset enhancement initiatives are funded through a prudent mix of debt, equity, and divestment proceeds where appropriate. As part of its strategy, the Managers are focused on:

- maintaining a strong balance sheet and ensuring compliance with the MAS’ aggregate leverage limit for REITs;
- minimising financing costs;
- securing diversified funding sources from financial institutions and capital markets;
- deploying appropriate hedging strategies to manage interest rate and foreign exchange exposures; and
- ensuring robust liquidity through available cash, credit facilities and multicurrency debt issuance programmes.

OVERVIEW OF CDL HOSPITALITY TRUSTS

STAPLED STRUCTURE OF CDLHT

CDLHT is a stapled group comprising H-REIT, a real estate investment trust, and HBT, a business trust. The following diagram illustrates the relationship between, among others, H-REIT, HBT, the H-REIT Manager, the H-REIT Trustee, the HBT Trustee-Manager and the Stapled Security Holders.



OPERATIONAL STRUCTURE OF CDLHT

H-REIT Group is the owner and lessor of (i) hotel assets which are leased to the Sponsor group, external lessees or HBT Group and (ii) non-hotel assets which are leased to individual tenants (such as retail/office/residential/student tenants or educational institutions). All properties in CDLHT’s portfolio are held under H-REIT Group, with the exception of the four properties and a piece of vacant land mentioned in the next paragraph below.

HBT Group may undertake certain hospitality and hospitality-related and other accommodation development projects, acquisitions and investments which may not be suitable for H-REIT. HBT Group is the owner of (i) Hilton Cambridge City Centre and Hotel Indigo Exeter which are managed by third party hotel management companies; (ii) The Lowry Hotel which is self-managed; (iii) The Castings which is leased to individual residential tenants; and (iv) the vacant freehold land located adjacent to Benson Yard.

HBT Group may also act as the master lessee of H-REIT Group’s hotels under the following circumstances:

- Where H-REIT Group appoints HBT Group in the absence of any other master lessee being appointed upon the expiry of an existing lease term. In such instances, HBT Group may either appoint professional hotel managers to manage the hotels or self-manage them.
- Where H-REIT Group acquires hotels and no other suitable master lessee is available, H-REIT Group may lease such acquired hotels to HBT Group. In these cases, HBT Group will assume the role of a master lessee and may likewise appoint professional hotel managers to manage the hotels or self-manage them.

HBT Group acts as the master lessee to six of the properties held under H-REIT Group, namely W Singapore – Sentosa Cove, Mercure Perth, Ibis Perth, The Halcyon Private Isles Maldives, Autograph Collection, Hotel MyStays Asakusabashi and Hotel MyStays Kamata. These properties are managed by third-party hotel management companies. The HBT Trustee-Manager works closely with the hotel and property managers where HBT Group is the master lessee or owner of the properties.

(1) Holdings of Stapled Securities as at 6 March 2026.
(2) CDLHT comprises stapled units of H-REIT and HBT (“Stapled Securities”) with each Stapled Security consisting of a unit in H-REIT and a unit in HBT.

Property	No. of Keys/ Units/Beds	Asset Owner	Operating Structure
SINGAPORE			
Singapore Hotels			
Orchard Hotel	656	H-REIT Group	Leased to Sponsor group
Grand Copthorne Waterfront Hotel	573	H-REIT Group	Leased to Sponsor group
M Hotel	415	H-REIT Group	Leased to Sponsor group
Copthorne King's Hotel	311	H-REIT Group	Leased to Sponsor group
Studio M Hotel	360	H-REIT Group	Leased to Sponsor group
W Singapore – Sentosa Cove ("W Hotel")	240	H-REIT Group	Leased to HBT Group and managed by Marriott International group
Retail Mall			
Claymore Connect	N.A.	H-REIT Group	Leased to retail tenants
NEW ZEALAND			
Grand Millennium Auckland	453	H-REIT Group	Leased to Sponsor group
AUSTRALIA ("PERTH HOTELS")			
Mercure Perth	239	H-REIT Group	Leased to HBT Group and managed by AccorHotels group
Ibis Perth	192	H-REIT Group	Leased to HBT Group and managed by AccorHotels group
MALDIVES ("MALDIVES RESORTS")			
Angsana Velavaru	113	H-REIT Group	Leased to Banyan Tree Holdings Limited group
The Halcyon Private Isles Maldives, Autograph Collection ("The Halcyon") (1)	38	H-REIT Group	Leased to HBT Group and managed by Apara Hotel Advisors group
JAPAN ("JAPAN HOTELS")			
Hotel MyStays Asakusabashi	139	H-REIT Group	Leased to HBT Group and managed by MyStays Hotel group
Hotel MyStays Kamata	116	H-REIT Group	Leased to HBT Group and managed by MyStays Hotel group
UNITED KINGDOM			
UK Hotels			
Hilton Cambridge City Centre	198	HBT Group	Managed by Hilton Worldwide group
The Lowry Hotel	165	HBT Group	Self-operated and managed by HBT Group
voco Manchester – City Centre	189	H-REIT Group	Leased to Marshall Holdings group
Hotel Indigo Exeter (2)	104	HBT Group	Managed by Michels & Taylor (London) Limited
UK Living Assets			
The Castings (BTR) (2)	352	HBT Group	Managed by Native Residential Limited
Benson Yard (PBSA)	404	H-REIT Group	Managed by Fresh Property Group Limited
GERMANY			
Pullman Hotel Munich ("Germany Hotel") (3)	337	H-REIT Group	Leased to EVENT Hotels group
ITALY			
Hotel Cerretani Firenze – MGallery ("Hotel Cerretani Firenze" or "Italy Hotel")	86	H-REIT Group	Leased to EVENT Hotels group

(1) Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.
(2) Retail units at Hotel Indigo Exeter and The Castings are or will be leased to individual tenants.
(3) Retail and office units at Pullman Hotel Munich are leased to individual tenants.

OVERVIEW OF CDL HOSPITALITY TRUSTS

GLOBAL REACH OF SPONSOR, M&C

CDLHT stands to benefit from the Sponsor's financial strength, experience, and market reach across the global hotel and hospitality industry. The Sponsor owns, operates, manages or franchises a portfolio of over 145 hotels worldwide.



NORTH AMERICA	EUROPE	MIDDLE EAST	CHINA & TAIWAN	REST OF ASIA	OCEANIA
Anchorage Boston Chagrin Falls Chicago Durham Los Angeles Nashville New York Scottsdale	Georgia Tbilisi France Paris Italy Rome United Kingdom Aberdeen Cardiff Dudley Gatwick Glasgow Liverpool London Manchester Newcastle Plymouth Slough-Windsor Turkey Istanbul Konya	United Arab Emirates (UAE) Abu Dhabi Dubai Sharjah Qatar Doha Kuwait Al Jahra Al Salmiya Kuwait City Iraq Basra Sulaymaniyah Oman Muscat Salalah Saudi Arabia Hail Jazan Jeddah Madinah Makkah Tabuk Palestine Ramallah	China Beijing Chengdu Fuqing Hangzhou Shanghai Suzhou Wenzhou Wuxi Wuyishan Xiamen Zunyi Taiwan Taichung Taipei Hong Kong	Singapore Indonesia Jakarta Malaysia Cameron Highlands Kuala Lumpur Penang Thailand Phuket Philippines Manila Japan Tokyo South Korea Seoul	New Zealand Auckland Bay of Islands Christchurch Dunedin Greymouth Masterton New Plymouth Palmerston North Queenstown Rotorua Taupo Te Anau Wellington Australia Brisbane

FINANCIAL HIGHLIGHTS

STATEMENT OF TOTAL RETURN

	FY 2025	FY 2024	Variance
Net property income (S\$'000)	129,694	135,223	(4.1%)
Total distribution (before retention for working capital) (S\$'000)	66,627	73,111	(8.9%)
Total distribution (after retention for working capital) (S\$'000)	60,933	66,850	(8.9%)
Distribution per Stapled Security (after retention) (cents)	4.80	5.32	(9.8%)

BALANCE SHEET

As at 31 December 2025, CDLHT's exposure to derivatives ⁽¹⁾ represents a negligible percentage of its net assets and market capitalisation.

	As at 31 Dec 2025 S\$'000	As at 31 Dec 2024 S\$'000	Variance
Investment properties ⁽²⁾	2,479,867	2,478,796	0.0%
Property, plant and equipment	873,081	846,454	3.1%
Total assets	3,483,583	3,452,601	0.9%
Borrowings (excluding lease liabilities) ⁽³⁾	1,254,386	1,342,165	(6.5%)
Total liabilities	1,535,547	1,612,315	(4.8%)
Net assets attributable to unitholders	1,790,826	1,832,378	(2.3%)
Net assets attributable to perpetual securities holders	149,653	0	N.M.
Net assets (including perpetual securities and non-controlling interests)	1,948,036	1,840,286	5.9%



(1) The fair value of the derivatives as at 31 December 2025 is disclosed under Note 10 on page 255 of the Annual Report.
(2) All properties are accounted for as investment properties, with the exception of the following: W Hotel, the Japan Hotels, The Halcyon, the Perth Hotels, Hilton Cambridge City Centre, The Lowry Hotel, and Hotel Indigo Exeter.
(3) The borrowings are presented before the deduction of unamortised transaction costs.

FINANCIAL HIGHLIGHTS

KEY FINANCIAL INDICATORS

As at 31 December 2025, gearing decreased to 37.7%, with debt headroom of S\$819.1 million⁽¹⁾, primarily due to the repayment of borrowings using proceeds from the issuance of S\$150.0 million of perpetual securities. On a pro forma basis, had the second tranche of S\$100.0 million of perpetual securities been issued within FY 2025, gearing would have been lower at approximately 34.7%.

	As at 31 Dec 2025	As at 31 Dec 2024	Variance
Gearing ⁽²⁾	37.7%	40.7%	(3.0pp)
Weighted average cost of debt	3.0%	4.0%	(1.0pp)
Weighted average debt to maturity (years)	2.6	2.3	0.3
Net asset value per unit (based on unitholders’ funds) ⁽³⁾	S\$1.40	S\$1.45	(3.4%)
Interest coverage ratio ⁽⁴⁾	2.32x	2.30x	0.02x

INTEREST COVERAGE RATIO (ICR) SENSITIVITY ⁽⁵⁾

The H-REIT Manager is committed to optimising asset performance and cash flow while maintaining prudent debt levels to capitalise on acquisition opportunities. In line with the Monetary Authority of Singapore’s regulations, an aggregate leverage limit of 50% and a minimum interest coverage ratio (“ICR”) of 1.5 times are adhered to. Hedging strategies are also implemented to mitigate risks from fluctuations in interest rates and foreign exchange rates. Below shows the sensitivity analyses on the impact to the ICR of H-REIT Group under each of the following scenarios: (i) a 10% decrease in EBITDA; and (ii) a 100 basis points increase in weighted average interest rate:

As at 31 Dec 2025	Assumptions	
	10% Decrease in EBITDA	100 bps Increase in Weighted Average Interest Rate ⁽⁶⁾
2.32x	2.09x	1.78x

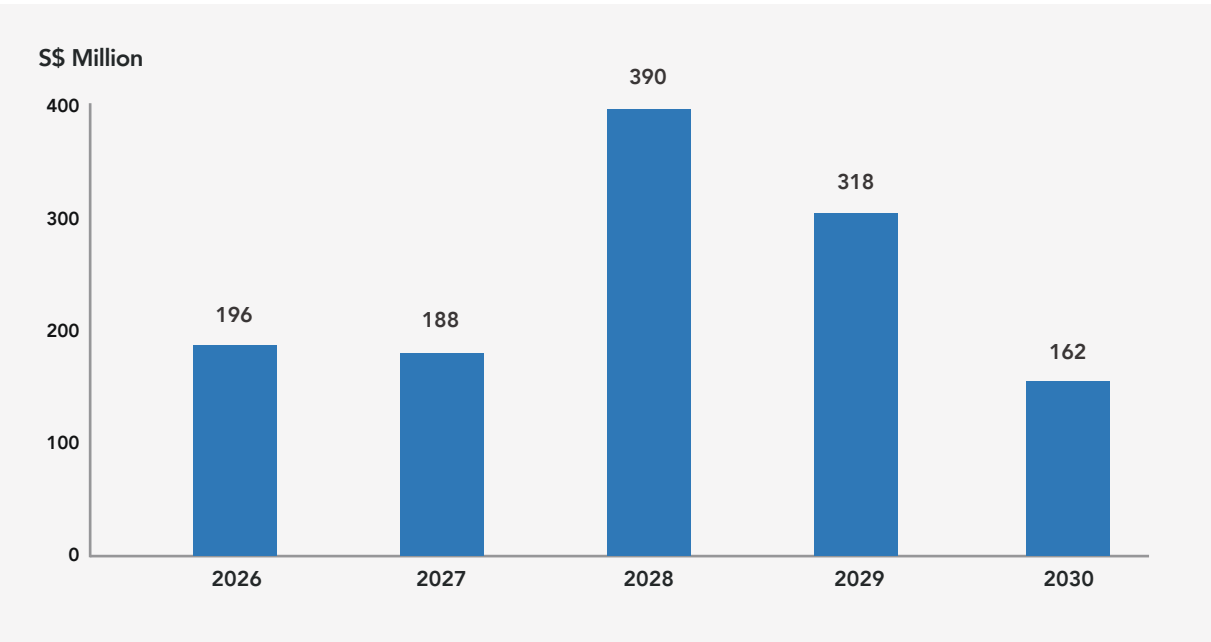


Lobby, Grand Millennium Auckland

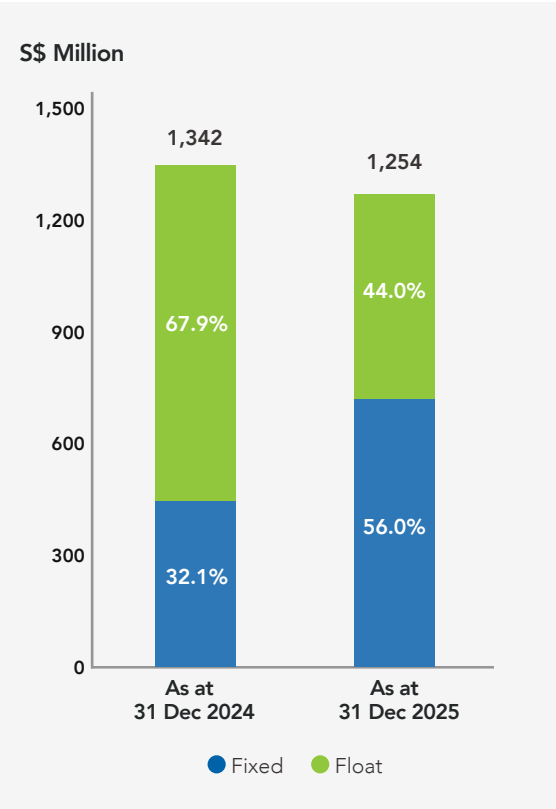
(1) Computed on basis of the regulatory gearing limit of 50.0%.
(2) For purposes of gearing computation, the total assets exclude the effect of FRS 116/SFRS(I) 16 Leases (adopted wef 1 January 2019).
(3) The number of Stapled Securities issued and to be issued as at 31 December 2025 was 1,278,497,282 as compared to 1,264,205,735 as at 31 December 2024.
(4) Refers to ICR for H-REIT Group, computed by using trailing 12 months’ EBITDA, divided by the trailing 12 months’ interest expense, borrowing-related fees and distributions on hybrid securities.
(5) For H-REIT Group, in accordance with the MAS’ Code on Collective Investment Schemes.
(6) Assuming 100 bps increase in the weighted average interest rate of all hedged and unhedged borrowings as well as perpetual securities for H-REIT Group.

DEBT PROFILE OF CDLHT ⁽¹⁾

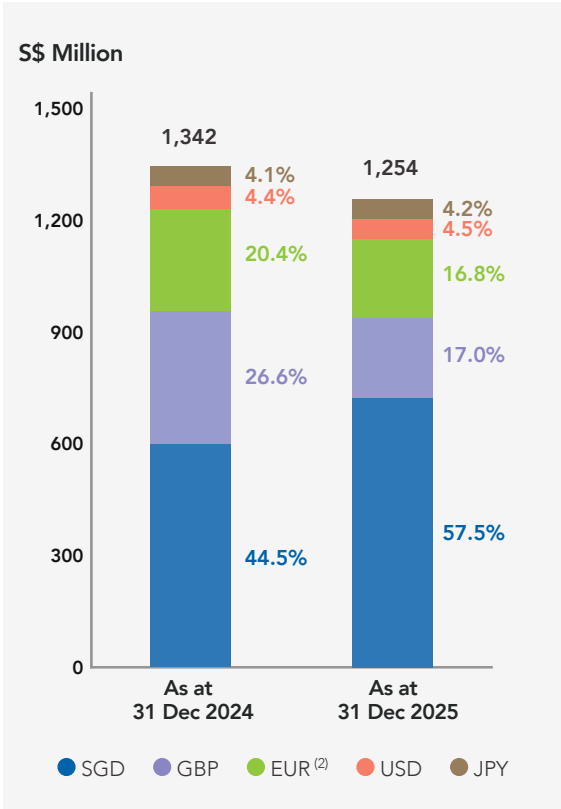
Debt Maturity Profile



Fixed-rate Versus Floating-rate Borrowings



Debt Currency Profile



(1) Excludes lease liabilities.
(2) Includes a term loan with effective exposure in EUR arising from a EUR/SGD cross currency swap.

CHAIRMAN’S STATEMENT



“CDLHT closed FY 2025 with improving trends as the operational impact of major refurbishment works began to recede, with 2H 2025 NPI growing 3.5% over 2H 2024, notwithstanding a full-year NPI decline of 4.1% yoy.”

On behalf of the Board of Directors of the H-REIT Manager and the HBT Trustee-Manager (collectively, the “Managers”), I am pleased to present our Annual Report for the financial year ended 31 December 2025 (“FY 2025”).

STRENGTHENING OPERATIONAL MOMENTUM AND COMPLETION OF MAJOR ASSET ENHANCEMENTS

CDLHT closed FY 2025 with improving trends as the operational impact of major refurbishment works began to recede, with 2H 2025 net property income (“NPI”) growing 3.5% over 2H 2024, notwithstanding a full-year NPI decline of 4.1% yoy.

The full-year NPI decline was primarily attributable to a more competitive hospitality environment in our key markets which led to broader RevPAR moderation, as well as the temporary disruption from large-scale renovations at W Hotel and Grand Millennium Auckland. Higher operating costs also weighed on performance. Excluding these two assets, NPI would have grown 0.3% for FY 2025 and 6.3% for 2H 2025, a creditable performance by the wider portfolio. With the multi-year renovations now complete, both assets are well-positioned to enhance their competitive standing and support portfolio growth over time.

Reflecting the lower full-year NPI, total distributions for FY 2025 amounted to S\$60.9 million, representing an 8.9% decrease yoy, with DPS declining 9.8% to 4.80 cents.

During FY 2025, CDLHT took proactive steps to strengthen its financial position, reducing overall funding costs and bringing gearing to a more prudent level. This provides a degree of resilience as CDLHT enters 2026 amid a more uncertain external backdrop, with geopolitical tensions, volatile oil prices and inflationary pressures presenting headwinds for the global hospitality sector.

On the balance sheet, total portfolio value grew 0.8% yoy to S\$3.4 billion as at 31 December 2025, supported by valuation gains across the Singapore, Europe, and Oceania portfolios.

MARKET REVIEW AND OUTLOOK

Performance of the Singapore Hotels in FY 2025 was shaped by a more challenging demand backdrop for much of the year, with conditions only recovering in the second half. Performance in 1H 2025 was measured against an elevated base in 1H 2024, when Singapore hosted a series of high-profile events, including six sold-out Taylor Swift concerts and Coldplay shows, that materially lifted visitor arrivals and hotel demand. This was compounded by softer corporate demand amid heightened global economic uncertainty in 1H 2025.

Operating conditions improved in 2H 2025, supported by a firmer events calendar that helped partially offset the earlier weakness, although elevated room supply continued to exert pressure on room rates. Key demand drivers included the World Aquatics Championships, the Formula 1 Singapore Grand Prix, and concerts including Blackpink. During the year, trading was also partially constrained by reduced room inventory due to renovations at W Hotel, though works were strategically paused during peak periods to minimise displacement. Overall, the Singapore Hotels reported a 1.6% yoy increase in RevPAR for 2H 2025, while RevPAR for FY 2025 declined 6.2% yoy.

Singapore received 16.9 million international visitor arrivals in 2025, a 2.3% yoy increase ⁽¹⁾, though arrivals remain below 2019 peak levels amid headwinds from the strength of the Singapore dollar, geopolitical uncertainty, and a more measured rebound from key source markets. Notwithstanding this, tourism receipts have shown encouraging growth, reaching a record S\$23.9 billion for the first nine months of 2025, up 6.5% yoy, placing full-year receipts on track to meet or exceed the Singapore Tourism Board’s projection of S\$29.0 to S\$30.5 billion for 2025 ⁽²⁾.

Singapore’s tourism proposition continues to develop, underpinned by a robust MICE pipeline and the Tourism 2040 roadmap focused on higher-value visitation. Meaningful leisure and infrastructure capacity was added in 2025, including the opening of Rainforest Wild, the launch of the Singapore Oceanarium, and the completion of the Marina Bay Cruise Centre facelift which expanded passenger capacity from 6,800 to 11,700 ⁽³⁾.

Looking ahead, Disney Adventure, Disney’s first Asia-based cruise ship, homeported in Singapore from March 2026 ⁽⁴⁾. With capacity for more than 6,000 passengers, it is expected to drive cruise-led arrivals and broader tourism spending. Singapore is also set to host a four-night BTS performance in December 2026, the group’s longest run in Asia outside Korea and Japan ⁽⁵⁾, further demonstrating the city’s ability to attract high-profile events with positive spillover effects for hotel demand. Over the longer term, the ongoing expansion of the Integrated Resorts and the development of Changi Airport Terminal 5 should further reinforce Singapore’s position as a premier regional hub for leisure, business and MICE travel.



Grand Ballroom, Orchard Hotel

(1) Singapore Tourism Analytics Network
(2) Singapore Tourism Board, “Record Singapore tourism receipts from January to September 2025”, 3 February 2026
(3) The Straits Times, “Marina Bay Cruise Centre gets new check-in hall, transport area after \$40m facelift”, 29 October 2025
(4) The Straits Times, “ ‘Very, very excited’: Passengers set off on Disney Adventure cruise’s first voyage from S’pore”, 10 March 2026
(5) Singapore Tourism Board, “Singapore to host 4-night BTS performance in December 2026, the longest run in Asia, outside of Korea and Japan”, 14 January 2026

CHAIRMAN’S STATEMENT

Against this backdrop, CDLHT is well-placed to bolster its Singapore presence. The forward purchase of Moxy Singapore Clarke Quay, a 475-key lifestyle hotel expected to achieve TOP by end-2026 and commence operations in 1H 2027, will broaden the portfolio’s appeal across customer segments and strengthen CDLHT’s foothold in one of Asia’s most coveted hospitality markets. Upon completion, CDLHT’s Singapore room count will grow from 2,555 to 3,030 keys.

In New Zealand, Grand Millennium Auckland recorded a 3.0% yoy decline in RevPAR for FY 2025, as new room supply continued to outpace demand, with performance further affected by room enhancement works from April to December 2025. While trading conditions remain competitive, key demand catalysts are emerging. Visitor arrivals in 2025 rebounded to around 90% of 2019 levels⁽⁶⁾, with further upside anticipated from the Government’s NZ\$70 million major events and tourism package⁽⁷⁾. The opening of the New Zealand International Convention Centre (NZICC) in February 2026, located near the hotel, together with the City Rail Link commencing this year with a station nearby the hotel, are expected to boost MICE demand and enhance accessibility. In addition, the one-

year NZeTA trial (effective 3 November 2025), allowing visa-free entry for Chinese visitors travelling from Australia, is anticipated to further support inbound tourism⁽⁸⁾. With the multi-year refurbishment now complete, Grand Millennium Auckland is poised to capitalise on these emerging demand tailwinds.

In Australia, the Perth Hotels delivered RevPAR growth of 24.9% yoy in FY 2025, driven by a strong events calendar and a robust performance at Ibis Perth with the availability of newly refurbished rooms in early 2025. Looking ahead, Western Australia’s continued investment in tourism infrastructure — including Perth Airport’s A\$5 billion Master Plan redevelopment, featuring a new runway and expanded terminals — is expected to strengthen medium-term connectivity and capacity⁽⁹⁾. With its comprehensive refurbishment completed in February 2025, Ibis Perth is well-poised to capture demand going forward.

Supported by resilient inbound demand, the Japan Hotels delivered an 8.7% yoy increase in RevPAR in FY 2025, achieving record full-year ADR and RevPAR of ¥12,459 and ¥11,613 respectively. Inbound visitor arrivals reached an all-time high of 42.7 million in 2025, with visitor spending also hitting a record ¥9.5 trillion

(approximately S\$77 billion)⁽¹⁰⁾. Looking ahead, JTB forecasts a 2.8% moderation in inbound arrivals for 2026⁽¹¹⁾, reflecting a normalisation of post-pandemic demand, as well as a decline in Chinese visitor arrivals amid ongoing diplomatic tensions. Against this backdrop, performance of the Japan Hotels is expected to be more measured relative to the exceptional levels achieved in the past few years.

In the Maldives, the two resorts recorded a collective 10.0% yoy decline in RevPAR in FY 2025, amid rising resort supply and higher tourism taxes. Following its rebranding as The Halcyon Private Isles Maldives, Autograph Collection on 1 November 2025, the resort is expected to benefit from Marriott’s global distribution platform and loyalty network, expanding its reach across new demand channels. While 2026 will represent a transitional period as brand awareness develops among trade partners and guests, the rebranding positions the resort for stronger performance over the medium term.

In the UK, Hilton Cambridge City Centre, The Lowry Hotel and Hotel Indigo Exeter recorded a collective 1.2% yoy decline in RevPAR for FY 2025⁽¹²⁾, reflecting softer leisure

demand and muted corporate activity. Performance was supported by the inflation-linked rent escalation at voco Manchester – City Centre, which increased 3.4% to £2.74 million, as well as the first full-year contribution from Hotel Indigo Exeter. While trading conditions remain pressured by a challenging macroeconomic backdrop and elevated costs, a robust pipeline of events and concerts is expected to underpin visitation.

In the living assets sector, The Castings (UK BTR) and Benson Yard (UK PBSA) delivered their first full-year contributions in FY 2025. The Castings progressed through its ramp-up phase during the year, achieving physical occupancy of 90.3% as at 31 December 2025, and is expected to deliver a more stabilised level of NPI from 2026 onwards. Benson Yard performed well, with an average occupancy of 90.4%⁽¹³⁾ for FY 2025 and committed occupancy of 94.1%⁽¹⁴⁾ for Academic Year 2025/2026. The property’s strong operational standing has garnered various awards, cementing its reputation in the Liverpool student accommodation market.



(6) Stats NZ
(7) NZ Govt, “Next level boost for Major Events and Tourism”, 14 September 2025
(8) Immigration New Zealand, “Easier travel from Australia to New Zealand for Chinese visitors”, 23 September 2025
(9) Travel And Tour World, “Perth Airport’s \$5B Master Plan 2026, How Qantas, Emirates, Singapore Airlines & Cathay Pacific Could Capitalise on the New Expansion to Boost Flights and Tourism”, 4 December 2025
(10) Reuters, “Japan tourist arrivals rise to record in December despite China drop”, 20 January 2026



(11) Travel Voice, “The number of international travelers to Japan may reach a plateau in 2026, affected by a decrease in travelers from China and Hong Kong”, 13 January 2026
(12) On a pro forma basis, assuming CDLHT owned Hotel Indigo Exeter for FY 2024.
(13) Average occupancy is computed over the full 2025 calendar year and includes the summer period (July – August), during which a portion of students vacate the building, resulting in a seasonal dip in occupancy.
(14) Committed occupancy reflects occupancy for the academic year which runs from September 2025 to August 2026, with most tenancies spanning 44 or 51 weeks.

CHAIRMAN’S STATEMENT

Pullman Hotel Munich recorded a 3.2% yoy decline in RevPAR, due to a softer events calendar in the second half of 2025 and subdued corporate demand. Looking ahead, operating conditions remain mixed. The absence of major biennial and triennial trade fairs in 2026 and the closure of the Munich Olympic Stadium for renovation until spring 2027 may constrain event-driven demand in the near term. Summer concerts at the nearby Allianz Arena are expected to generate incremental visitation and partially offset these headwinds.

In Florence, Hotel Cerretani Firenze recorded an 11.8% yoy decline in RevPAR for FY 2025, reflecting a normalisation of performance following an exceptionally strong 2024 and the impact of increased room supply. While the market has become more competitive as post-pandemic demand moderates, underlying visitation interest remains intact.

The broader operating environment has become more uncertain as geopolitical headwinds intensify. The reinstatement of broad-based tariffs by the US administration, alongside the escalation of conflict in the Middle East involving the US, Israel and Iran, has heightened concerns over slower global growth. Prolonged instability could elevate fuel and travel costs, disrupt aviation connectivity, and weigh on business sentiment, corporate travel budgets and discretionary spending. While the year began on an optimistic note with expectations of yoy improvement, these developments have introduced uncertainty to our near-term outlook. The full impact on the portfolio will depend on how these geopolitical developments unfold.

UNLOCKING VALUE THROUGH STRATEGIC ASSET ENHANCEMENTS

Asset enhancement remains a key lever for driving long-term value across CDLHT’s portfolio. The Managers take a disciplined approach to identifying and executing asset optimisation opportunities, working closely with operators to enhance the competitiveness and earnings potential of our properties.

FY 2025 marked the completion of several significant multi-year renovation programmes. Following the completion of Ibis Perth’s extensive renovation in early 2025, Grand Millennium Auckland and W Singapore – Sentosa Cove both concluded their phased refurbishments during the year, setting CDLHT up for improved operating performance ahead.

At Grand Millennium Auckland, the completion of public area upgrades, atrium bar refurbishment and two phases of room renovations, marked the conclusion of a comprehensive multi-year transformation. Combined with earlier enhancements to the ballroom, all-day dining restaurant and lobby lounge, the hotel has been substantially revitalised to enhance its market appeal in a very competitive Auckland hospitality landscape.

At W Singapore – Sentosa Cove, the phased renovation of all guestrooms has now been completed, rounding out a broader programme of upgrades that included the lobby, ballroom and restaurant earlier. The fully refreshed property is well-placed to augment its positioning within the luxury lifestyle segment, particularly as competitive pressures in the market intensify.

We will continue to invest in our own portfolio and capitalize on asset enhancement initiatives to ensure that our properties have a competitive edge in the market place.

PROACTIVE AND DISCIPLINED CAPITAL MANAGEMENT

Maintaining a robust financial position remains a key priority for CDLHT, providing both stability and flexibility to navigate evolving market conditions and pursue growth opportunities. As at 31 December 2025, our gearing ratio stood at 37.7%⁽¹⁵⁾, with a debt headroom of S\$819.1 million⁽¹⁶⁾.

In November 2025, CDLHT established a S\$1.5 billion Multicurrency Debt Issuance Programme, providing a scalable and flexible framework for future capital raising. Under this programme, H-REIT raised S\$250.0 million through two tranches of perpetual securities — S\$150.0 million at 3.7%⁽¹⁷⁾ in November 2025 and S\$100.0 million at 4.0%⁽¹⁸⁾ in February 2026 — with proceeds applied to repay existing borrowings. On a pro forma basis, had the second tranche been issued within FY 2025, gearing would have been approximately 34.7% as at 31 December 2025. This capital raising activity strengthens our balance sheet ahead of the expected completion of the forward purchase of Moxy Singapore Clarke Quay in early 2027.

On interest rate management, CDLHT entered into S\$358.0 million of interest rate swaps during FY 2025 to hedge against rate volatility on its SGD borrowings. CDLHT will benefit from interest savings in 2026 from the retirement of higher-cost GBP and USD borrowings funded by the perpetual securities issuances.

Our financial resilience is further supported by a strong and flexible balance sheet. Unencumbered assets represented 95.7% of total property value at year-end, providing continued access to favourable financing terms and preserving financial flexibility.

In line with our commitment to sustainable financing, S\$427.0 million, or 82% of facilities maturing in FY 2025, were refinanced as sustainability-linked facilities, bringing total sustainability-linked facilities to approximately S\$1.1 billion at year-end. This reflects a deliberate effort to align our financing strategy with CDLHT’s broader sustainability commitments.

PROGRESSING TOWARDS A SUSTAINABLE FUTURE

CDLHT continued to make meaningful progress on its sustainability agenda in FY 2025, with tangible advances across energy efficiency, building performance and responsible operations.

Several properties achieved notable sustainability milestones during the year. Ibis Perth received the Eco Tourism Australia Sustainable Tourism Certification, while Grand Millennium Auckland was awarded the Qualmark Gold Sustainability Award, reflecting strong operational commitments to responsible tourism. In Europe, Hotel Cerretani Firenze improved its BREEAM rating to “Very Good”, representing a tangible step forward in building performance and environmental management.

On the energy front, the newly installed solar panel system at W Singapore – Sentosa Cove is now fully operational and is expected to generate approximately 500 MWh of renewable energy annually and supply around 5.6% of the hotel’s total energy needs. This brings CDLHT’s total portfolio renewable energy generation to approximately 1.5 GWh in FY 2025, contributing to our broader goal of reducing the portfolio’s carbon footprint over time.

On the governance front, CDLHT was named joint winner of the Shareholder Communications Excellence Award (REITs & Business Trusts Category) at the SIAS Investors’ Choice Awards 2025 for the second consecutive year and placed tenth in the Singapore Governance and Transparency Index 2025 (REIT and Business Trust Category). These recognitions affirm our commitment to transparency, accountability and meaningful investor engagement.

A fuller account of our sustainability progress, including targets and initiatives underway, is set out in the Board Statement within the Sustainability Report.

CONCLUDING REMARKS

As CDLHT progresses through 2026, we benefit from several supportive tailwinds. These include the completion of renovations at a couple of our major assets, alongside a more stabilised income stream from The Castings as it moves beyond its initial ramp-up phase. CDLHT also anticipates meaningful interest cost savings following the repayment of higher-cost borrowings through the perpetual securities issuances, supported by a generally lower interest rate environment.

That said, we remain mindful of the uncertain geopolitical backdrop and its potential impact on travel demand and business sentiment. The Board and management will continue to monitor developments closely, and we are prepared to respond as the situation evolves.

Looking ahead, we remain committed to disciplined capital management, targeted asset enhancement, and delivering sustainable long-term value for our Stapled Security Holders. With gearing at a prudent level and the balance sheet on firm footing, CDLHT is on track for the expected completion of the forward purchase of Moxy Singapore Clarke Quay in early 2027, which will mark a further addition to the portfolio. The Managers also continue to review the portfolio for opportunities to recycle capital and unlock value for Stapled Security Holders.

APPRECIATION

On behalf of the Boards and management team, I would like to express my sincere gratitude to our Stapled Security Holders for their continued trust and support. I am equally grateful to our lessees, operators, business partners and service providers worldwide, whose expertise and collaboration have been integral to CDLHT’s continued success.

I am pleased to welcome Ms Eng Chin Chin and Mr Richard Anthony Johnson, who joined our Boards on 21 February 2025 and 23 January 2026, respectively. Their extensive experience and business acumen will be valuable assets to the Boards, and I look forward to their contributions in the years ahead.

Dr Foo Say Mui (Bill) and Mr Kenny Kim retired after nine years of dedicated service on the Boards. Both have made significant contributions to CDLHT through their experience, sound judgement and unwavering commitment. On behalf of the Boards, I extend our deep appreciation for their invaluable guidance over the years.

I would also like to thank my fellow Board members for their counsel and leadership, and the management team and staff of the Managers and H-REIT Trustee for their commitment and contributions in advancing CDLHT’s strategic priorities.

We look forward to welcoming our Stapled Security Holders at the Annual General Meetings on 24 April 2026.

Chan Soon Hee, Eric
Chairman
Dated as of 23 March 2026

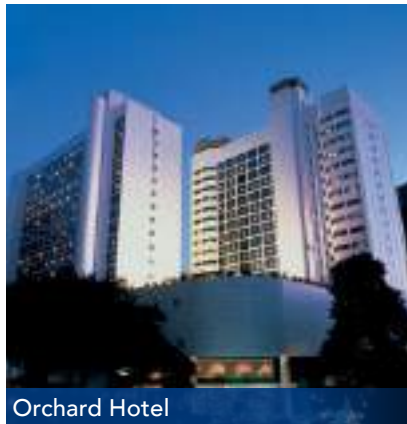
(15) For the purpose of gearing computation, the total assets exclude the effect of FRS 116/SFRS(I) 16 Leases (adopted wef 1 January 2019).
(16) Computed on basis of the regulatory gearing limit of 50.0%.
(17) Five-year non-call perpetual securities
(18) 5.5-year non-call perpetual securities

PORTFOLIO SUMMARY



NUMBER OF PROPERTIES

17 Hotels, **2** Resorts,
1 BTR, **1** PBSA and
1 Retail Mall



Orchard Hotel



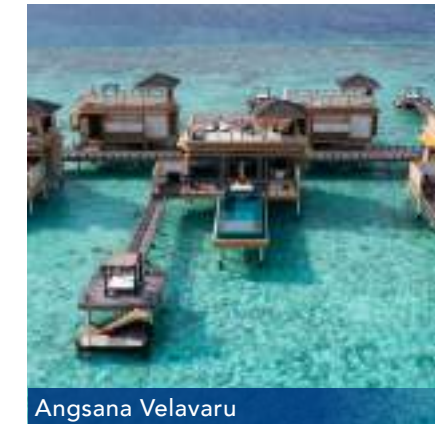
Grand Copthorne Waterfront Hotel



Mercure Perth



Ibis Perth



Angsana Velavaru

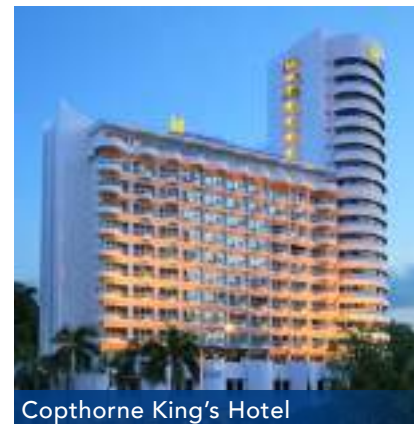


NUMBER OF UNITS

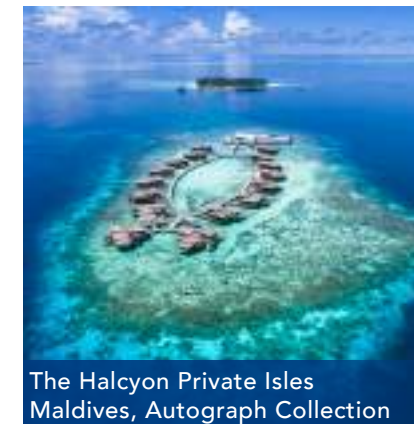
4,924 Hotel Rooms
352 BTR Units
404 PBSA Beds



M Hotel



Copthorne King's Hotel



The Halcyon Private Isles
Maldives, Autograph Collection



Hilton Cambridge City Centre



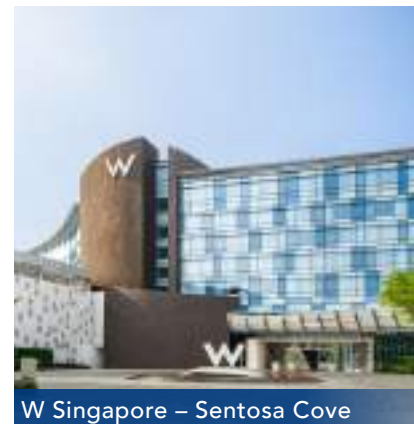
The Lowry Hotel



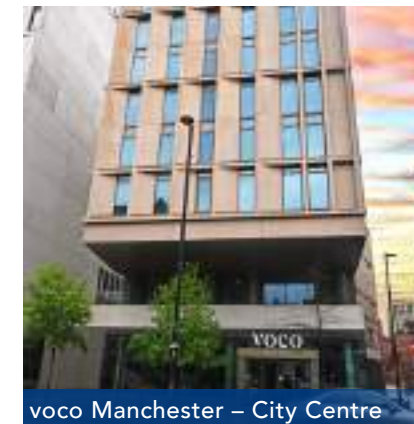
Studio M Hotel



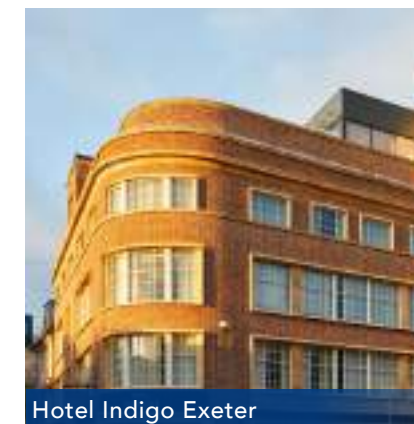
Claymore Connect



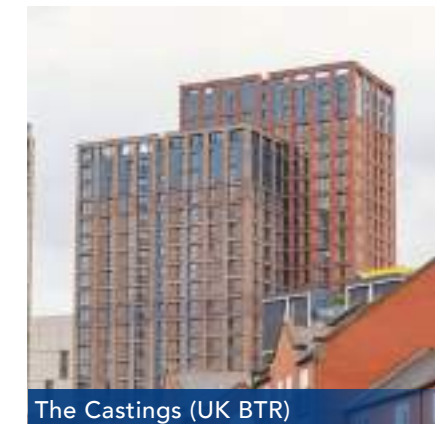
W Singapore – Sentosa Cove



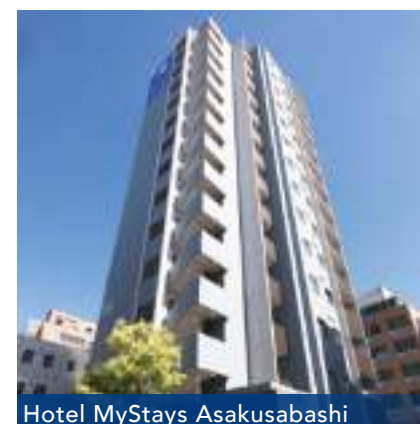
voco Manchester – City Centre



Hotel Indigo Exeter



The Castings (UK BTR)



Hotel MyStays Asakusabashi



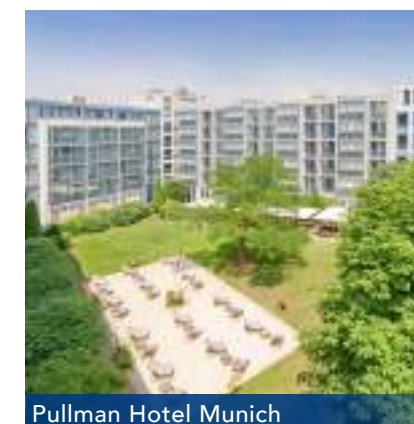
Hotel MyStays Kamata



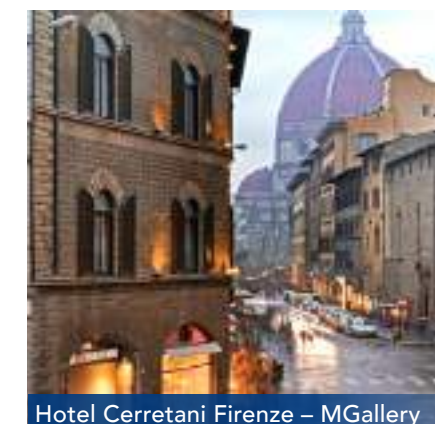
Grand Millennium Auckland



Benson Yard (UK PBSA)



Pullman Hotel Munich

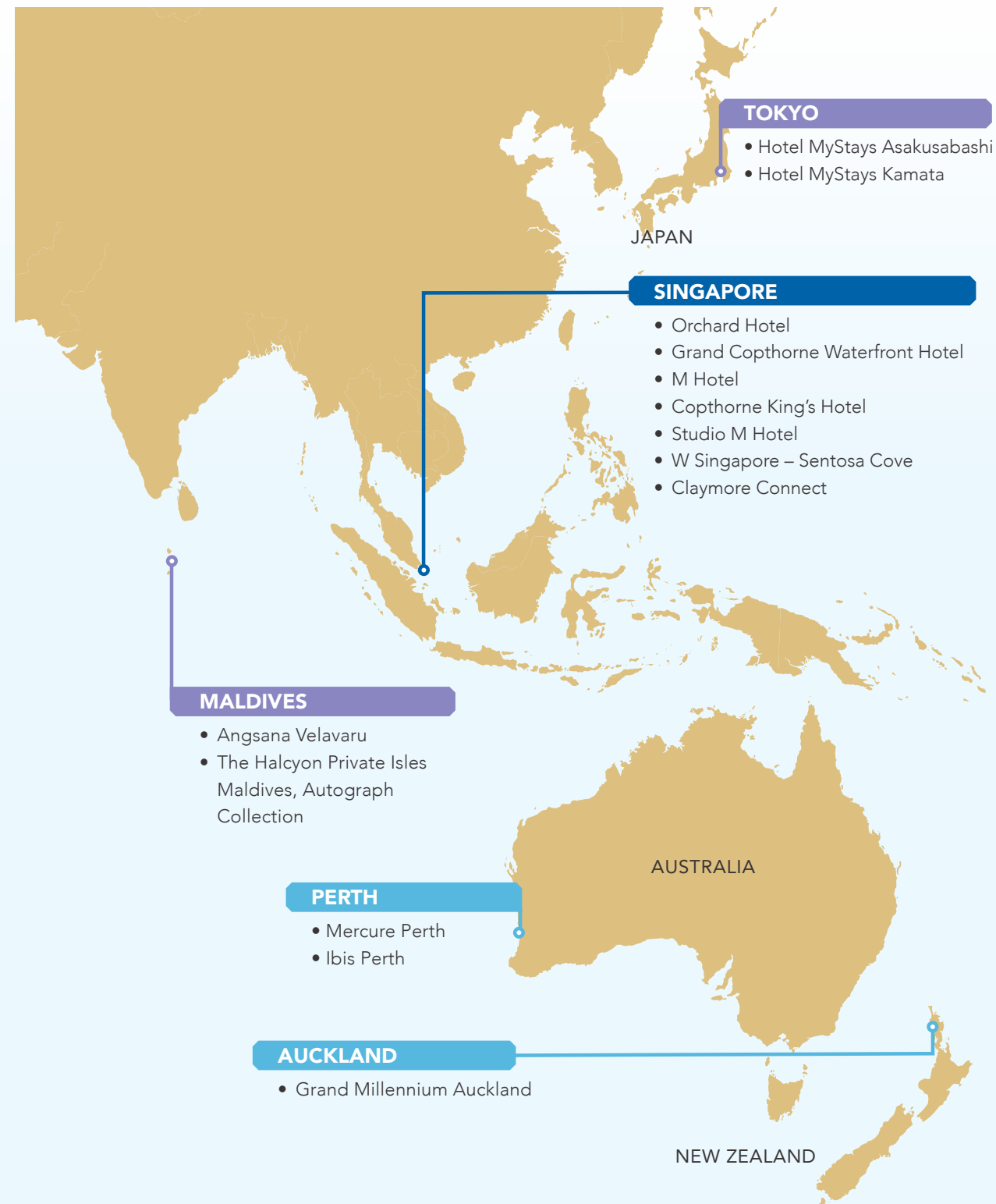


Hotel Cerretani Firenze – MGallery

PORTFOLIO SUMMARY

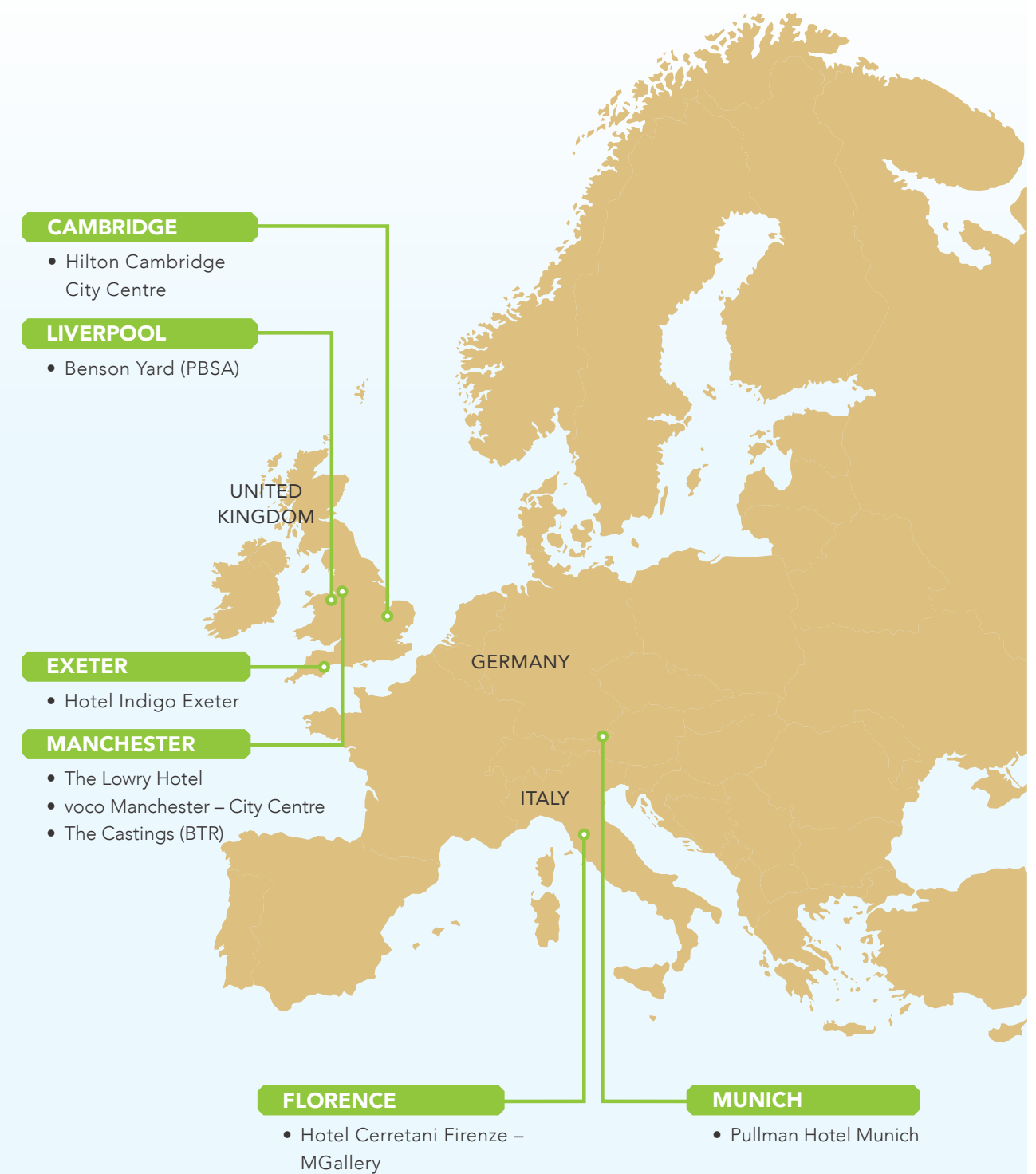
GEOGRAPHICAL SPREAD OF ASSETS UNDER MANAGEMENT

ASIA & OCEANIA



GEOGRAPHICAL SPREAD OF ASSETS UNDER MANAGEMENT

EUROPE



PORTFOLIO SUMMARY

KEY PROPERTY DETAILS

	No. of Keys/ Units/Beds	Title	Remaining Term of Land Lease	Date of Acquisition	Purchase Price in Millions	Valuation in Millions ⁽¹⁾
SINGAPORE						
Orchard Hotel	656	75-year leasehold interest commencing 19 Jul 2006	56 years	19 Jul 2006	S\$330.1	S\$498.0
Grand Copthorne Waterfront Hotel	573				S\$234.1	S\$437.0
M Hotel	415				S\$161.5	S\$275.0
Copthorne King’s Hotel	311	99-year leasehold interest commencing 1 Feb 1968	41 years	19 Jul 2006	S\$86.1	S\$138.5
Studio M Hotel	360	99-year leasehold interest commencing 26 Feb 2007	80 years	3 May 2011	S\$154.0	S\$201.0
W Singapore – Sentosa Cove	240	99-year leasehold interest commencing 31 Oct 2006	80 years	16 Jul 2020	S\$324.0	S\$354.0
Claymore Connect	N.A.	75-year leasehold interest commencing 19 Jul 2006	56 years	19 Jul 2006	S\$34.5	S\$120.0
NEW ZEALAND						
Grand Millennium Auckland	453	Freehold	-	19 Dec 2006	NZ\$113.0	NZ\$235.0
AUSTRALIA						
Mercure Perth	239	Strata Freehold	-	18 Feb 2010	A\$36.2	A\$54.0
Ibis Perth	192	Freehold	-	18 Feb 2010	A\$21.6	A\$53.0
MALDIVES						
Angsana Velavaru	113	99-year leasehold interest commencing 26 Aug 1997	71 years	31 Jan 2013	US\$71.0	US\$56.0
The Halcyon Private Isles Maldives, Autograph Collection ⁽²⁾	38	99-year leasehold interest commencing 15 Jun 2006	79 years	31 Dec 2013	US\$59.6	US\$40.0
JAPAN						
Hotel MyStays Asakusabashi	139	Freehold	-	19 Dec 2014	¥3,200	¥6,650.0
Hotel MyStays Kamata	116	Freehold	-	19 Dec 2014	¥2,600	¥3,720.0
UNITED KINGDOM						
Hilton Cambridge City Centre	198	125-year leasehold interest commencing 25 Dec 1990	90 years ⁽³⁾	1 Oct 2015	£61.5	£58.0
The Lowry Hotel	165	150-year leasehold interest commencing 18 Mar 1997	121 years	4 May 2017	£52.5	£46.0
voco Manchester – City Centre	189	~197-year leasehold interest commencing 7 May 2021	192 years	22 Feb 2022	£22.8	£27.0
Hotel Indigo Exeter	104	Freehold	-	6 Nov 2024	£19.4	£19.5
The Castings (BTR)	352	Freehold	-	31 Aug 2021	£82.0 ⁽⁴⁾	£97.7
Benson Yard (PBSA) ⁽⁵⁾	404	Freehold	-	19 Dec 2024	£37.3	£40.6
GERMANY						
Pullman Hotel Munich ⁽⁶⁾	337	Freehold	-	14 Jul 2017	€98.9	€95.5
ITALY						
Hotel Cerretani Firenze – MGallery ⁽⁷⁾	86	Freehold	-	27 Nov 2018	€40.6	€45.9

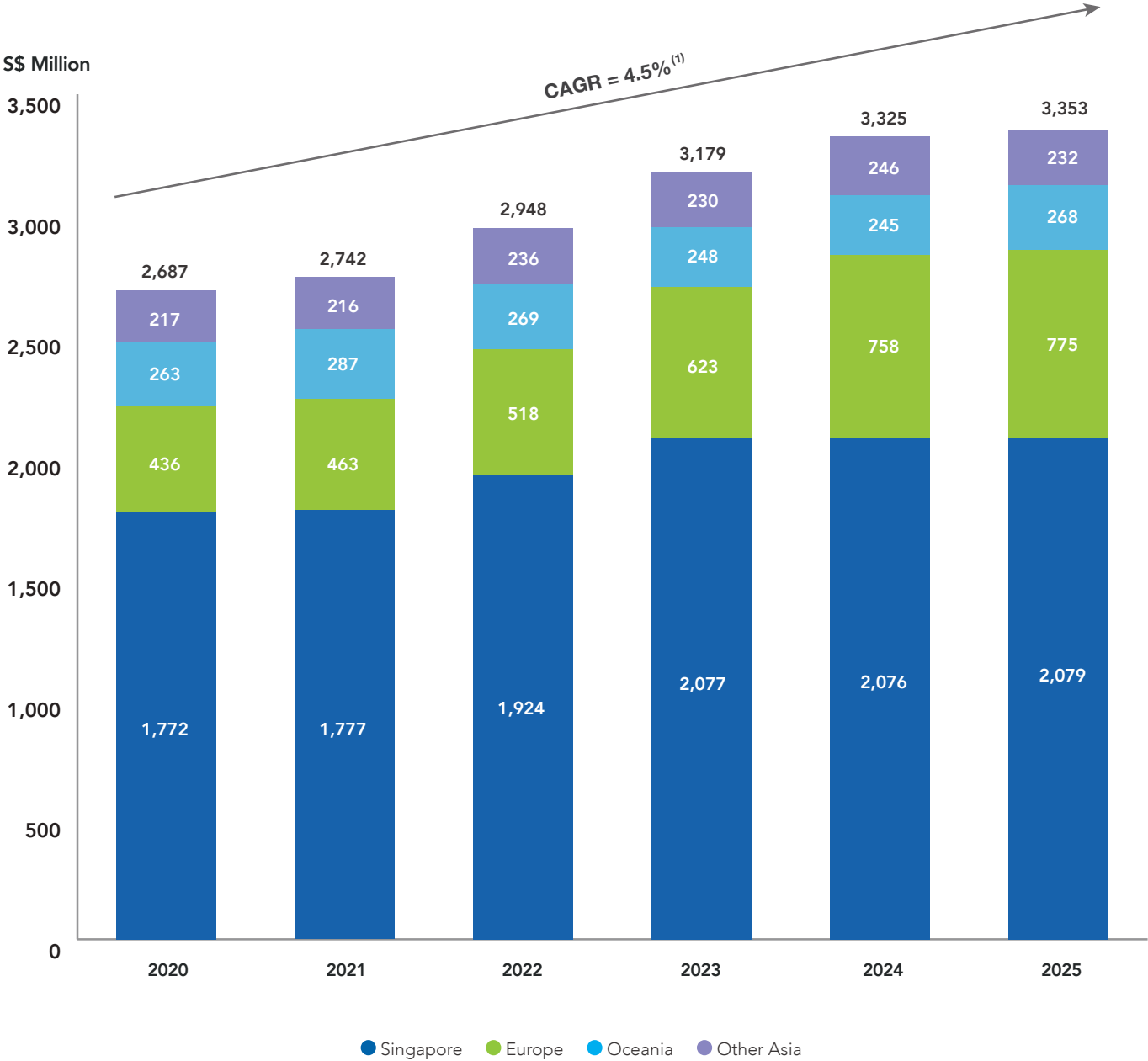
(1) All properties were valued as at 31 December 2025.
(2) Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.
(3) The lease term may be extended for a further term of 50 years pursuant to lessee’s (CDLHT) option to renew under the lease granted by the head lessor (Cambridge City Council).
(4) This refers to the total capitalised development costs.
(5) Including an adjacent piece of vacant land.
(6) Purchase price is based on a 94.5% effective interest whereas the valuation is based on 100% interest before adjustment of non-controlling interests.
(7) Purchase price is based on a 95.0% effective interest whereas the valuation is based on 100% interest before adjustment of non-controlling interests.

PORTFOLIO SUMMARY

PORTFOLIO VALUE

CDLHT's portfolio comprises 22 properties (total of 4,924 hotels rooms, 352 BTR apartments, 404 PBSA beds and a retail mall). As at 31 December 2025, CDLHT's portfolio value increased S\$27.7 million or 0.8% yoy to S\$3.4 billion. The increase in portfolio value across Singapore, Europe and Oceania outweighed the decline in the Other Asia portfolio. Any gains/losses arising from revaluations of the properties do not have any impact on the distribution to Stapled Security Holders.

From 31 December 2020 to 31 December 2025, portfolio value has increased from S\$2.7 billion to S\$3.4 billion, representing a compound annual growth rate ("CAGR") of 4.5%.

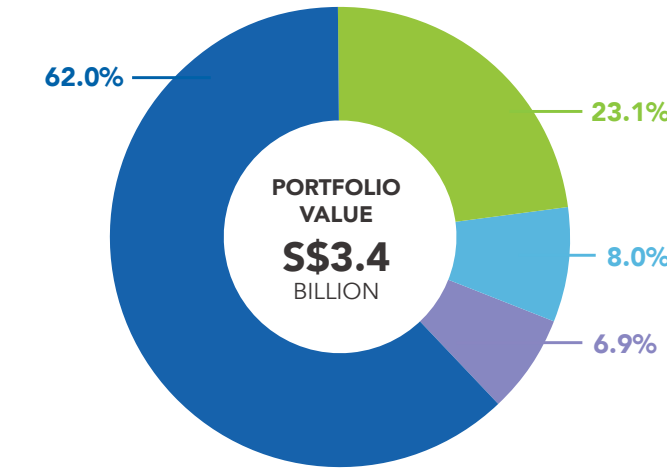


(1) CAGR from 31 Dec 2020 to 31 Dec 2025

PORTFOLIO VALUE BREAKDOWN

Portfolio Value by Geography ⁽¹⁾

As at 31 December 2025



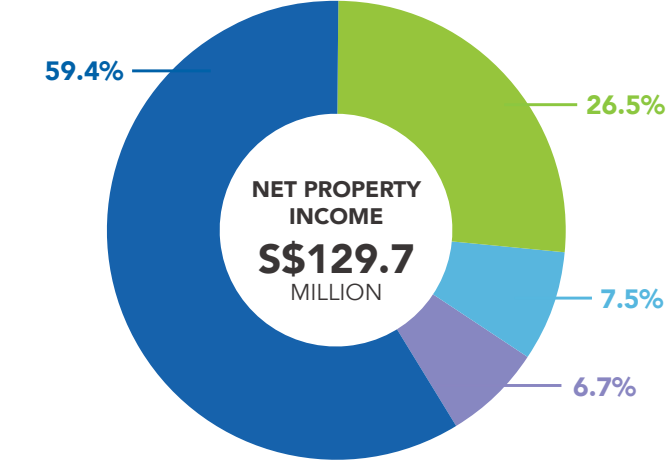
(1) Numbers and percentages may not add up due to rounding.
(2) Includes retail units.
(3) Includes retail and office units.
(4) On the basis of 100% interest before adjustment of non-controlling interests.

SINGAPORE	62.0%
Singapore Hotels	58.4%
Singapore Retail	3.6%
EUROPE	23.1%
UK (Hotels) ⁽²⁾	9.6%
UK (Living Assets) ⁽²⁾	7.1%
Germany ⁽³⁾⁽⁴⁾	4.3%
Italy ⁽⁴⁾	2.1%
OCEANIA	8.0%
New Zealand	5.2%
Australia	2.7%
OTHER ASIA	6.9%
Maldives	4.4%
Japan	2.5%

NET PROPERTY INCOME BREAKDOWN

Net Property Income by Geography ⁽⁵⁾

For FY 2025



(5) Numbers and percentages may not add up due to rounding.
(6) Includes contribution from retail units.
(7) Includes contribution from retail and office units.
(8) On the basis of 100% interest before adjustment of non-controlling interests.

SINGAPORE	59.4%
Singapore Hotels	54.4%
Singapore Retail	5.0%
EUROPE	26.5%
UK (Hotels) ⁽⁶⁾	12.0%
UK (Living Assets) ⁽⁶⁾	6.3%
Germany ⁽⁷⁾⁽⁸⁾	5.6%
Italy ⁽⁸⁾	2.5%
OCEANIA	7.5%
Australia	4.4%
New Zealand	3.1%
OTHER ASIA	6.7%
Japan	3.7%
Maldives	3.0%

PORTFOLIO SUMMARY

NUMBER OF TENANTS AND COMPOSITION OF GROSS RENTAL INCOME FOR PROPERTIES WITH EXTERNAL LEASES ⁽¹⁾

As at 31 December 2025, CDLHT has a total of 679 tenants for properties that were leased out, as detailed in the table below. The retail and office category is made up of Claymore Connect (27 tenants), retail/office component of Pullman Hotel Munich (11 tenants) and the two retail units at Hotel Indigo Exeter.

Category	Number of Tenants as at 31 December 2025	% of Gross Rental Income FY 2025
Hotel	9	79.9%
Living Assets	630	12.0%
Retail and Office	40	8.1%
Total	679	100.0%

TOP 10 TENANTS BY GROSS RENTAL INCOME FOR PROPERTIES WITH EXTERNAL LEASES ⁽¹⁾

For FY 2025

The top 10 tenants contributed 81.3% of the total gross rental income for properties with leases.

		S\$'000	% of Total Gross Rental Income
1	Republic Hotels & Resorts Limited	27,433	22.3%
2	City Hotels Pte. Ltd.	21,321	17.4%
3	Harbour View Hotel Pte. Ltd.	12,911	10.5%
4	UP Hotel Operations GmbH & Co. KG	8,443	6.9%
5	Republic Iconic Hotel Pte. Ltd.	7,879	6.4%
6	Maldives Bay Pvt Ltd	7,850	6.4%
7	HLD (Manchester) Limited	4,665	3.8%
8	Hospitality Services Limited	4,074	3.3%
9	FC Operations Hotel SRL	3,571	2.9%
10	District 9 Holdings Pte Ltd	1,790	1.5%

HotelsRetail

(1) Does not include properties which are (i) on management contracts, namely W Hotel, The Halcyon, the Japan Hotels, the Perth Hotels, Hilton Cambridge City Centre and Hotel Indigo Exeter; and (ii) self-operated and managed by HBT Group, namely The Lowry Hotel.

(2) Expiry does not take into consideration the tenure under the extension options.

(3) WALE is computed assuming the tenant for voco Manchester - City Centre does not exercise its break option to pre-terminate the lease on 15 January 2045. Assuming the tenant pre-terminates the lease, the WALE of the hotel leases will be 3.9 years. WALE is based on FY 2025 actual gross rental income for hotels with leases.

(4) Assuming the Singapore IPO hotel leases are renewed for 20 years, the WALE of the hotel leases will be 18.2 years.

(5) Based on passing rent in the month which the lease expires and excludes gross turnover rent. Assumes that the tenants for the two retail units at Hotel Indigo Exeter do not exercise the break option to pre-terminate the leases. If the tenants pre-terminate the leases, the WALE will be 1.7 years.

(6) Based on passing rent in the month which the lease expires.

(7) WALE is computed from commencement of the new lease from 24 Nov 2025.

(8) Computed as a percentage of gross rental income of all properties with leases for FY 2025.

LEASE EXPIRY PROFILE AND TENANT MIX BY GROSS RENTAL INCOME FOR PROPERTIES WITH LEASES

For FY 2025

For the two tables below, properties under management contracts or self-operated are excluded as there are no external leases in place ⁽¹⁾.

Properties	Tenure of Lease	Year of Expiry ⁽²⁾	% of Gross Rental Income
Singapore IPO Hotels	20 years from 19 Jul 2006, expiring 18 Jul 2026. On 24 Apr 2025, the lessees have given notice of intention to exercise their respective options to renew the hotel leases for 20 years from 19 Jul 2026, expiring 18 Jul 2046	2026	50.2%
Pullman Hotel Munich	Hotel: 20 years from 14 Jul 2017, expiring 13 Jul 2037	2037	6.9%
	Retail/Office: Range of lease terms - for details on lease expiry profile, refer to page 93		0.8%
The Castings (UK BTR)	Typically one year or shorter	2026/2027	7.0%
Claymore Connect	Range of lease terms - for details on lease expiry profile, refer to page 69		6.8%
Studio M Hotel	20 years from 3 May 2011, expiring 2 May 2031, with an option to renew for three consecutive additional terms of 20 years + 20 years + 10 years	2031	6.4%
Angsana Velavaru	10 years from 1 Feb 2023, expiring 31 Jan 2033	2033	6.4%
Benson Yard (UK PBSA)	Typical student lease term of 44 or 51 weeks. The academic year runs from 1 Sep to 31 Aug of the following year	2026	5.0%
voco Manchester – City Centre	60 years from 7 May 2021, expiring on 6 May 2081	2081	3.8%
Grand Millennium Auckland	Five years from 24 Nov 2025, expiring 23 Nov 2030, with an option to renew for another 5 years subject to mutual agreement	2030	3.3%
Hotel Cerretani Firenze – MGallery	20 years from 27 Nov 2018, expiring 26 Nov 2038	2038	2.9%
Retail units at Hotel Indigo Exeter	Holland & Barrett Retail Limited - 10 years from 13 Mar 2023, expiring 12 Mar 2033, subject to tenant break right on 13 Mar 2029	2033	0.5%
	Mountain Warehouse Limited - 10 years from 26 Jun 2023, expiring 25 Jun 2033, subject to tenant break right on 26 Jun 2028		

Properties	WALE as at 31 Dec 2025
All hotel leases	5.6 years ⁽³⁾⁽⁴⁾
All retail/office leases	2.0 years ⁽⁵⁾
All living assets leases	0.5 years ⁽⁶⁾
New leases (excluding hotels)	0.6 years ⁽⁶⁾
New Grand Millennium Auckland lease	5.0 years ⁽⁷⁾

The weighted average lease expiry (“WALE”) are shown separately for the hotel leases, the retail/office leases and the living assets leases as the nature and profile of these leases differ and separate disclosures are more meaningful.

In FY 2025, new leases entered into relate to Grand Millennium Auckland and Claymore Connect which contributed to 0.5% of total gross rental income for the year, while living assets accounted for 12.0% ⁽⁸⁾.

YEAR IN REVIEW

PERFORMANCE BY COUNTRY AND PROPERTY ⁽¹⁾

	FY 2025 S\$'000	FY 2024 S\$'000	Better/ (Worse)	FY 2025 S\$'000	FY 2024 S\$'000	Better/ (Worse)
PROPERTIES WITH LEASES						
	Gross Rental Revenue			Net Property Income		
Singapore	77,932	81,536	(4.4%)	70,675	74,103	(4.6%)
Singapore Hotels	69,544	73,409	(5.3%)	64,215	67,981	(5.5%)
Orchard Hotel	21,321	23,851	(10.6%)	19,733	22,213	(11.2%)
Grand Copthorne Waterfront Hotel	20,733	20,773	(0.2%)	19,123	19,143	(0.1%)
M Hotel	12,911	12,971	(0.5%)	11,864	11,969	(0.9%)
Copthorne King's Hotel	6,700	7,635	(12.2%)	6,131	7,007	(12.5%)
Studio M Hotel	7,879	8,179	(3.7%)	7,364	7,649	(3.7%)
Singapore Retail	8,388	8,127	3.2%	6,460	6,122	5.5%
Claymore Connect	8,388	8,127	3.2%	6,460	6,122	5.5%
New Zealand	4,074	5,220	(22.0%)	4,074	5,220	(22.0%)
Grand Millennium Auckland	4,074	5,220	(22.0%)	4,074	5,220	(22.0%)
Maldives	7,850	8,020	(2.1%)	7,486	7,584	(1.3%)
Angsana Velavaru	7,850	8,020	(2.1%)	7,486	7,584	(1.3%)
United Kingdom	19,394	6,494	>100%	12,846	4,862	>100%
voco Manchester – City Centre	4,665	4,461	4.6%	4,665	4,461	4.6%
The Castings	8,547	1,822	>100%	4,652	257	>100%
Benson Yard	6,182	211	>100%	3,529	144	>100%
Germany	9,392	10,792	(13.0%)	7,321	9,706	(24.6%)
Pullman Hotel Munich	9,392	10,792	(13.0%)	7,321	9,706	(24.6%)
Italy	3,571	5,412	(34.0%)	3,294	5,147	(36.0%)
Hotel Cerretani Firenze – MGallery	3,571	5,412	(34.0%)	3,294	5,147	(36.0%)
Sub-Total	122,213	117,474	4.0%	105,696	106,622	(0.9%)
MANAGED PROPERTIES ⁽²⁾						
	Gross Hotel Revenue			Net Property Income		
Singapore	49,087	54,729	(10.3%)	6,303	11,009	(42.7%)
W Singapore – Sentosa Cove	49,087	54,729	(10.3%)	6,303	11,009	(42.7%)
Australia	24,487	21,756	12.6%	5,672	4,319	31.3%
Ibis Perth	10,657	8,381	27.2%	2,812	1,639	71.6%
Mercure Perth	13,830	13,375	3.4%	2,860	2,680	6.7%
Maldives	9,275	11,660	(20.5%)	(3,641)	(1,692)	(115.2%)
The Halcyon Private Isles Maldives, Autograph Collection ⁽³⁾	9,275	11,660	(20.5%)	(3,641)	(1,692)	(115.2%)
Japan	9,677	8,982	7.7%	4,807	4,486	7.2%
Hotel MyStays Asakusabashi	5,849	5,502	6.3%	3,002	2,827	6.2%
Hotel MyStays Kamata	3,828	3,480	10.0%	1,805	1,659	8.8%
United Kingdom	52,827	45,658	15.7%	10,857	10,479	3.6%
Hilton Cambridge City Centre	20,377	21,656	(5.9%)	5,965	6,650	(10.3%)
The Lowry Hotel	23,055	22,589	2.1%	3,352	3,514	(4.6%)
Hotel Indigo Exeter ⁽⁴⁾	9,395	1,413	>100%	1,540	315	>100%
Sub-Total	145,353	142,785	1.8%	23,998	28,601	(16.1%)
Total Portfolio	267,566	260,259	2.8%	129,694	135,223	(4.1%)

(1) Numbers and percentages may not add up due to rounding.
(2) These are properties with management contracts, with the exception of The Lowry Hotel which is self-managed.
(3) Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.
(4) Includes contribution from retail units leased to tenants.

REVIEW OF FINANCIAL PERFORMANCE

According to UN Tourism's World Tourism Barometer, international arrivals grew 4% yoy in 2025, suggesting a normalisation towards the pre-pandemic average annual growth rate of 5% between 2009 and 2019 ⁽¹⁾. Against this backdrop, CDLHT's performance in FY 2025 was tempered by large-scale renovations at W Hotel and Grand Millennium Auckland, which weighed on both revenue and net property income for the year. With the multi-year programmes now complete, both assets are better placed to support performance in subsequent periods.

Gross revenue for FY 2025 rose 2.8% yoy (or S\$7.3 million) to S\$267.6 million, driven by growth in the UK, Japan and Australia portfolios. NPI declined 4.1% yoy, reflecting disruption from major refurbishment works at W Hotel and Grand Millennium Auckland, compounded by broader RevPAR moderation and higher operating costs. Excluding

these two properties, gross revenue would have grown by 7.0% yoy (or S\$14.1 million), and NPI would have increased 0.3% yoy.

In line with the lower NPI, total distribution for FY 2025 amounted to S\$60.9 million (after retention of income for working capital), a decrease of 8.9% yoy. DPS was 4.80 cents, 9.8% lower yoy. Total distribution included a capital distribution of S\$9.7 million from overseas properties, arising from operating cashflows.

Looking forward, the outbreak of armed conflict involving the United States, Israel, and Iran in late February 2026 has introduced fresh uncertainty into the global travel and tourism outlook, particularly given its impact on Middle East aviation hubs and key international transit corridors. Elevated oil and gas prices are likely to weigh on global economic growth, while higher fuel surcharges are expected to increase travel costs for consumers. CDLHT continues to monitor developments closely.

Operating Expenses	FY 2025	FY 2024
Total Operating Expenses ⁽²⁾ (S\$'000)	250,165	239,270
Net Asset Value ⁽³⁾ (S\$'000)	1,790,826	1,832,378
Total Operating Expenses as a Percentage of Net Asset Value	14.0%	13.1%



Lobby, W Singapore – Sentosa Cove

(1) UN Tourism, "International tourist arrivals up 4% in 2025 reflecting strong travel demand around the world", 20 January 2026
(2) Refers to all operating expenses (including property taxes and insurance) and all fees and charges (including acquisition fees) paid to the Managers and interested parties. The increase in operating expenses in FY 2025 was mainly due to higher property expenses. Refer to page 199 of the Annual Report for details relating to the operating expenses.
(3) After deducting net assets attributable to perpetual securities holders and non-controlling interests.

YEAR IN REVIEW

ASSETS’ OPERATING PERFORMANCE FOR FY 2025

Singapore

CDLHT’s Singapore Hotels Performance	FY 2025	FY 2024	Better / (Worse)
Average Occupancy Rate (“AOR”) ⁽⁴⁾	79.0%	78.8%	0.3pp
Average Daily Rate (“ADR”)	S\$230	S\$246	(6.5%)
Revenue per Available Room (“RevPAR”) ⁽⁴⁾	S\$182	S\$194	(6.2%)

Singapore welcomed 16.9 million arrivals in 2025, a 2.3% increase yoy, recovering to 88.5% of pre-pandemic 2019 levels ⁽⁵⁾. Tourism receipts reached a record S\$23.9 billion in the first nine months of 2025, up 6.5% yoy, placing full-year receipts on track to exceed the Singapore Tourism Board’s projection of S\$29.0 to S\$30.5 billion for 2025 ⁽⁶⁾.

The Singapore Hotels reported a 6.2% yoy decline in RevPAR for FY 2025. The decline was primarily attributable to a high base effect in the first half of 2024, when Singapore hosted several high-profile events — including six sold-out Taylor Swift concerts and Coldplay shows — that generated an exceptional uplift in visitor arrivals and hotel demand. The softer performance was compounded by weaker corporate demand amid heightened global economic uncertainty, and by a temporary reduction in available room inventory at W Hotel during its refurbishment programme. Operating conditions improved in 2H 2025, supported by a firmer events calendar, though the impact of elevated room supply continued to weigh on room rates. As a result, NPI

for the Singapore Hotels declined 10.7% yoy for FY 2025. Excluding W Hotel, the decline would have narrowed to 5.5% yoy.

On the supply front, Singapore’s hotel inventory is projected to increase by a net 1,249 rooms in 2026, representing approximately 1.7% of total room stock as at 31 December 2025. Supply growth is expected to remain modest over the next three years, with a projected compound annual growth rate (“CAGR”) of 1.7% ⁽⁷⁾, a relatively contained pipeline that provides a supportive medium-term backdrop for the market.

Claymore Connect achieved a 5.5% yoy increase in NPI for FY 2025, driven by higher rental rates from existing leases and renewals, supported by ongoing cost discipline. Overall, NPI for the Singapore portfolio, including Claymore Connect, totalled S\$77.0 million, a decline of 9.6% yoy. Excluding W Hotel, the portfolio NPI decline would have narrowed to 4.6% yoy.



(4) A total of 13,179 room nights were out of order at W Singapore – Sentosa Cove for FY 2025 due to room refurbishment works that commenced from 10 February 2025. This was against 10,155 room nights that were out of inventory for Studio M Hotel for FY 2024 due to room upgrading works including progressive replacement of air conditioning system. Excluding the out-of-order rooms, for FY 2025 and FY 2024, occupancy would be 80.2% and 79.6% respectively while RevPAR would be S\$184 and S\$196 respectively.

(5) Singapore Tourism Analytics Network

(6) Singapore Tourism Board, “Record Singapore tourism receipts from January to September 2025”, 3 February 2026

(7) Based on statistics published by Hotels Licensing Board (1 January 2026) adjusted by CDLHT for rooms known to be taken out of and/or added to inventory. Sources: Hotels Licensing Board (1 January 2026), Horwath HTL (January 2026) and CDLHT research (January 2026).

Overseas

CDLHT’s Overseas Hotels RevPAR	FY 2025	FY 2024	Better / (Worse)
NZ Hotel (NZ\$) ⁽⁸⁾	125	129	(3.0%)
Perth Hotels (A\$) ⁽⁹⁾	153	123	24.9%
Japan Hotels (¥)	11,613	10,681	8.7%
Maldives Resorts (US\$)	294	327	(10.0%)
UK Hotels (£) ⁽¹⁰⁾	126	128	(1.2%)
Germany Hotel (€)	106	110	(3.2%)
Italy Hotel (€)	206	234	(11.8%)

Grand Millennium Auckland saw a 3.0% yoy decline in RevPAR for FY 2025, as supply growth in recent years continued to outpace demand recovery, with visitor arrivals remaining below pre-pandemic levels. Performance was further impacted by the second phase of room enhancement works (which ran from April to December 2025) and a weaker New Zealand dollar. NPI declined 22.0% yoy; however, this figure includes the accounting effect of base rent being recognised on a straight-line basis rather than the actual stepped-up contractual rent. Excluding this non-cash accounting adjustment, the NPI decline narrowed to 8.2% yoy, or 2.3% in local currency terms, a more representative reflection of the property’s underlying operating performance. With the room enhancement programme now complete, the asset is better positioned to capture improving demand as the New Zealand tourism market continues its recovery.

CDLHT’s Perth Hotels delivered strong RevPAR growth of 24.9% yoy for FY 2025, following the return of renovated rooms to inventory in early 2025 and positive market reception to the upgraded product offering. Notwithstanding a weaker Australian dollar and higher operating costs, NPI for the Perth Hotels grew 31.3% yoy, one of the standout performances across the portfolio for the year.

The Japan Hotels achieved RevPAR growth of 8.7% yoy for FY 2025, underpinned by resilient inbound travel demand, with combined ADR and RevPAR reaching record full-year highs of ¥12,459 and ¥11,613 respectively — notwithstanding a moderation in performance in 3Q 2025 due to earthquake rumours and a temporary shift in international visitor flows to the Kansai region around Expo 2025 Osaka. Despite the depreciation of the Japanese yen against the Singapore dollar, NPI for the Japan Hotels increased by 7.2% yoy.

The Maldives Resorts recorded a 10.0% yoy decline in RevPAR for FY 2025 amid a challenging operating environment. While Angsana Velavaru achieved a 3.1% yoy increase in RevPAR, only fixed rental income was recognised in both financial years, with NPI affected by the weaker USD against the SGD. At The Halcyon, RevPAR declined 33.7% yoy, reflecting intensified competition from new luxury resort developments located closer to Malé, reduced flight connectivity, and transitional effects inherent to a rebranding exercise ⁽¹¹⁾. Brand recognition is expected to build progressively with travel trade partners and end consumers as the rebranded resort establishes its presence in the market. As a result, NPI for the Maldives Resorts declined 34.7% yoy for FY 2025.

(8) A total of 26,904 out-of-order room nights were recorded at Grand Millennium Auckland for FY 2025, compared with 25,829 for FY 2024 due to room renovation works. Excluding out-of-order inventory, RevPAR would have been NZ\$149 for FY 2025 and NZ\$153 for FY 2024.

(9) A total of 1,922 out-of-order room nights were recorded at Ibis Perth for FY 2025 (renovation completed in February 2025), compared with 10,483 for FY 2024 due to rooms renovation works. Excluding out-of-order inventory, collective RevPAR for the Perth Hotels would have been A\$155 for FY 2025 and A\$131 for FY 2024.

(10) Excludes voco Manchester – City Centre, which is under a fixed rent occupational lease. Includes Hotel Indigo Exeter (acquired 6 November 2024), assuming that CDLHT owned the property on a same-store basis in FY 2024.

(11) Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025. Formerly known as Raffles Maldives Meradhoo.

YEAR IN REVIEW

In the UK, Hilton Cambridge City Centre, The Lowry Hotel and Hotel Indigo Exeter reported a collective RevPAR decline of 1.2% yoy for FY 2025 on a pro forma basis (assuming CDLHT had owned Hotel Indigo Exeter throughout FY 2024), reflecting softer leisure demand and subdued corporate activity. Despite this operating backdrop, NPI for the UK Hotels increased 3.9% yoy, supported by inflation-linked fixed rental income from voco Manchester – City Centre and full-year contribution from Hotel Indigo Exeter (acquired in November 2024).

The UK living sector assets continued to progress well during FY 2025. The Castings (UK BTR) advanced through its ramp-up phase, with physical occupancy rising to 90.3% as at 31 December 2025, from 59.1% a year ago. NPI for The Castings grew to S\$4.7 million for FY 2025, from S\$0.3 million in the previous year. Benson Yard (UK PBSA) achieved average occupancy of 90.4%⁽¹²⁾ for FY 2025 and committed occupancy of 94.1%⁽¹³⁾ for Academic Year 2025/2026, contributing NPI of S\$3.5 million for FY 2025. Collectively, the two UK living sector assets contributed S\$8.2 million in NPI for the period. Combined with the UK hotel portfolio, total NPI for the UK portfolio reached S\$23.7 million, a 54.5% increase yoy, representing one of the most significant growth contributions across the portfolio for the year.

In Germany, Pullman Hotel Munich reported a 3.2% yoy decline in RevPAR due to a softer events calendar in 2H 2025 and lower food and beverage revenue attributable to tighter corporate travel budgets. NPI declined 24.6% yoy (or S\$2.4 million), partly reflecting accounting adjustments comprising audit adjustments following the finalisation of prior years’ audited accounts (S\$0.6 million yoy) and straight-line rent accounting adjustments (S\$1.7 million yoy). Excluding these adjustments, NPI would have been broadly flat yoy, consistent with the underlying operating performance of the asset.

In Italy, Hotel Cerretani Firenze recorded a 11.8% yoy decline in RevPAR for FY 2025, reflecting a normalisation



(12) Average occupancy is computed over the full 2025 calendar year and includes the summer period (July – August), during which a portion of students vacate the building, resulting in a seasonal dip in occupancy.
(13) Committed occupancy reflects occupancy for the academic year period only (September 2025 to August 2026) and excludes the summer vacancy period.

in performance following an exceptionally strong 2024, increase in room supply, and a three-week hotel closure in January 2025 for water pipe works. NPI declined 36.0% yoy (or S\$1.9 million), which includes straight-line rent accounting adjustments (S\$0.6 million yoy) and a prior-year rent true-up (S\$0.2 million yoy). Excluding these adjustments, NPI would have declined 22.7% yoy (or S\$1.1 million).

ENHANCING PRODUCT COMPETITIVENESS AND STRENGTHENING MARKET POSITION

The Managers remain committed to enhancing portfolio quality through strategic asset enhancement initiatives, working in close collaboration with lessees and property managers to optimise asset performance and support long-term value creation. FY 2025 marked the completion of several multi-year refurbishment programmes across three properties — Ibis Perth, Grand Millennium Auckland, and W Hotel Singapore — representing a significant step in repositioning these assets for the periods ahead.

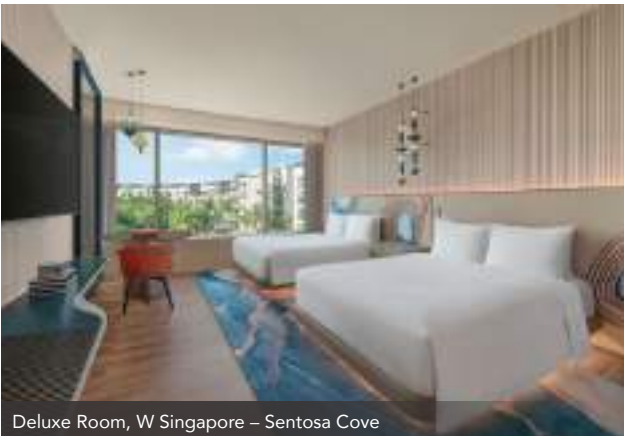
In Australia, Ibis Perth completed an extensive transformation in February 2025, encompassing all 192 rooms, the lobby, public areas, bar and restaurant and a new gym. The revamped dining concept, Chelsea Social — comprising a restaurant and bar — was introduced to complement the rejuvenated conference facilities, creating a more cohesive event space offering and a street-facing dining experience. The enhanced product received positive market reception, contributing to the strong RevPAR and NPI growth reported for the Perth Hotels in FY 2025.

In New Zealand, Grand Millennium Auckland concluded a comprehensive multi-year transformation with the completion of public area upgrades, an atrium bar refurbishment and two phases of room renovations. Together with earlier enhancements to the ballroom, all-day dining restaurant and lobby lounge, the hotel has been substantially revitalised and is now better positioned to compete more effectively in a very competitive Auckland market as visitor arrivals continue their recovery.

In Singapore, W Hotel completed the phased renovation of all guestrooms in FY 2025, concluding a broader programme of upgrades that included the lobby, ballroom and restaurant in 2023. With the full refurbishment now complete, the property is well-positioned to reinforce and enhance its standing within the luxury lifestyle segment.

PROACTIVE CAPITAL STRATEGY AND PRUDENT RISK MANAGEMENT

CDLHT made meaningful progress in strengthening its funding profile and balance sheet resilience during FY 2025, through a combination of proactive refinancing, disciplined interest rate management, and expanded capital market access.



YEAR IN REVIEW

Interest expense on borrowings decreased 5.7% yoy (S\$2.8 million), driven by lower funding costs on floating-rate loans, tighter pricing secured through proactive refinancing in prior and current years, and savings from the repayment of GBP-denominated borrowings using proceeds from the issuance of perpetual securities in November 2025. These savings were partially offset by a full year's interest expense on borrowings drawn to fund the acquisitions of Hotel Indigo Exeter and Benson Yard (acquired end 2024) and The Castings (completed mid-2024). On a same-store basis, excluding interest attributable to these assets, interest expense would have decreased 14.4% yoy (or S\$6.8 million), reflecting the easing of floating interest rates during the year and the benefits of active interest rate management.

To manage interest rate risk through the cycle, CDLHT maintains an optimal balance of fixed and floating rate borrowings, positioning the portfolio to benefit from further rate cuts, while utilising interest rate swaps to hedge residual exposure. During the year, CDLHT entered into ten interest rate swaps totalling S\$358.0 million to partially hedge interest rate volatility on its SGD borrowings. Fair value movements on these derivatives have no impact on distributions to Stapled Security Holders.

On the refinancing front, CDLHT received strong support from its banking partners and successfully refinanced all maturing loan facilities during the year. Notably, 82% of refinanced facilities, amounting to S\$427.0 million, were structured as sustainability-linked facilities with tenors of three to five years, bringing CDLHT's cumulative

sustainability-linked facilities to approximately S\$1.1 billion in aggregate. This reflects CDLHT's continued commitment to embedding sustainability considerations into its financing activities.

In parallel, CDLHT took steps to broaden its capital market access during the year. In November 2025, CDLHT established a S\$1.5 billion Multicurrency Debt Issuance Programme, providing a scalable and flexible framework for future capital raising. Under this programme, H-REIT raised S\$250.0 million in perpetual securities across two tranches — S\$150.0 million at 3.7% in November 2025 and S\$100.0 million at 4.0% in February 2026 — with proceeds applied to repay existing borrowings. As at year end, gearing was 37.7%; however, on a pro forma basis, had the second tranche been issued within FY 2025, gearing would have been approximately 34.7% as at 31 December 2025. These initiatives strengthen CDLHT's balance sheet ahead of the expected completion of the forward purchase of Moxy Singapore Clarke Quay in early 2027.

As at 31 December 2025, CDLHT's weighted average cost of debt stood at 3.0%, with fixed-rate borrowings representing 56.0% of total borrowings and a weighted average debt to maturity of 2.6 years. CDLHT maintained cash and available credit facilities of S\$593.5 million, comprising S\$193.5 million in cash and undrawn revolving credit facilities and S\$400.0 million in uncommitted bridge loan facilities. With approximately 95.7% of its property value unencumbered, CDLHT retains meaningful financial flexibility for future financing opportunities.



The Lowry Lounge and Bar, The Lowry Hotel

STAPLED SECURITY PRICE STATISTICS ⁽¹⁴⁾

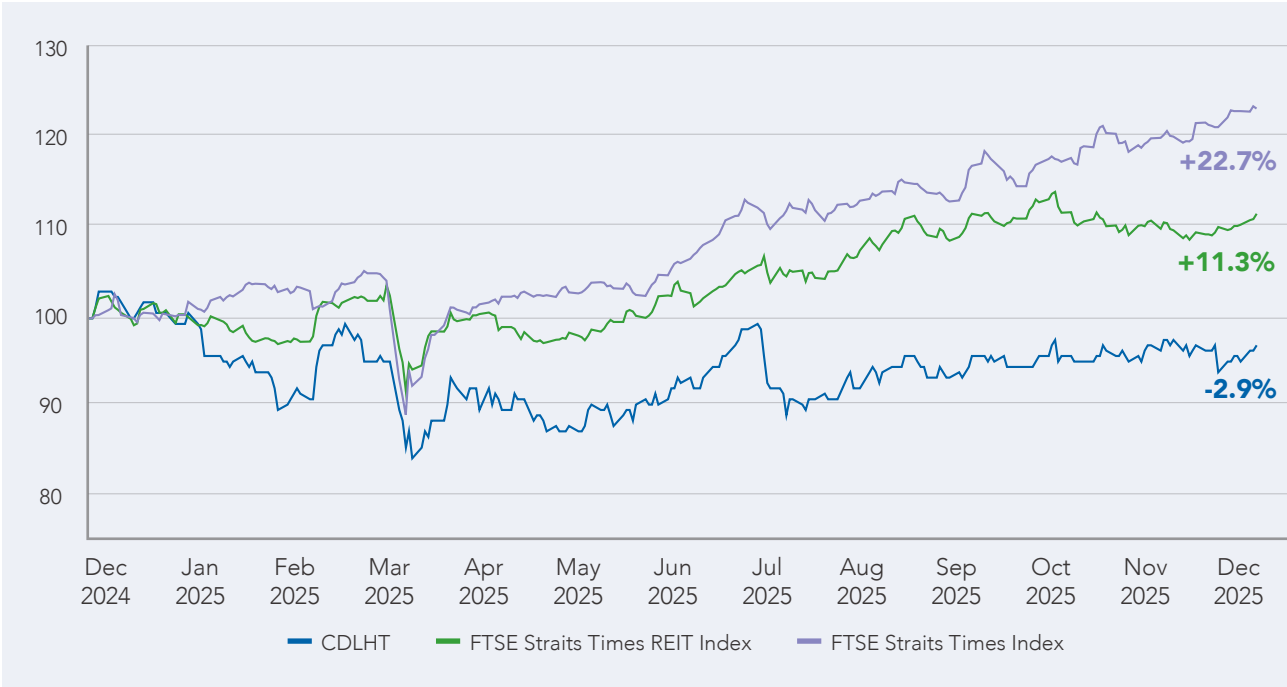
CDLHT closed at a price of S\$0.835 per Stapled Security on 31 December 2025, representing a 2.9% decline from the previous year's closing price of S\$0.86 (as of 31 December 2024).

For investors who held Stapled Securities since IPO, the total return, assuming all distributions were reinvested on the date of payment, would amount to 218.6% as at 31 December 2025. On the same basis, the yoy total return for 2025 was 3.0%.

Summary of Stapled Security Statistics	2025	2024
IPO as at 19 July 2006 (S\$)	0.830	0.830
Closing price as at last trading day of preceding period (S\$)	0.860	1.110
Closing price as at last trading day of current period (S\$)	0.835	0.860
Highest closing price (S\$)	0.885	1.110
Lowest closing price (S\$)	0.730	0.840
Weighted average price (S\$)	0.805	0.955
Average daily volume traded (number of Stapled Securities in millions)	1.8	1.8
Volume traded (number of Stapled Securities in millions)	444.2	456.7

Return on Investment	From 1 Jan 2025 to 31 Dec 2025	Since Listing on 19 Jul 2006 to 31 Dec 2025
Price Change	(2.9%) ⁽¹⁵⁾	0.6%
Total Return ⁽¹⁶⁾	3.0%	218.6%

COMPARATIVE TRADING PERFORMANCE FOR FY 2025 ⁽¹⁴⁾



(14) Source: Bloomberg
(15) Calculation of the price change is based on the closing price on 31 December 2025 compared with the closing price on 31 December 2024.
(16) Total return assumes the distributions paid out during the respective periods are reinvested in the Stapled Securities.

SINGAPORE



MARKET REVIEW

AUCKLAND



PERTH



FLORENCE



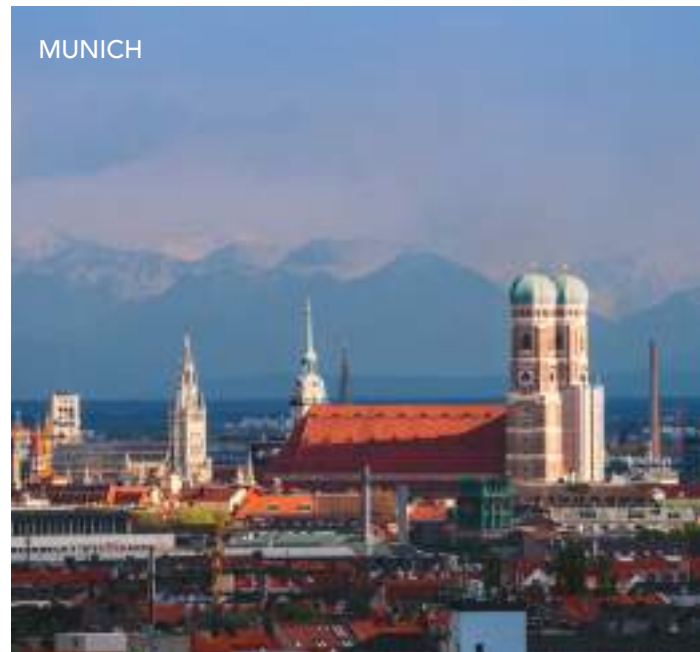
MANCHESTER



CAMBRIDGE



MUNICH



LIVERPOOL



TOKYO



SINGAPORE HOTEL PROPERTY SECTOR



SINGAPORE TOURISM MARKET

In 2025, Singapore welcomed approximately 16.9 million visitors, a 2.3% increase yoy. This is slightly below the target by the Singapore Tourism Board (“STB”) to reach between 17.0 to 18.5 million in 2025. Passenger traffic at Singapore Changi Airport reached 70.0 million passenger movements, a 3.4% increase yoy. The positive performance in visitor arrivals and passenger movements was largely driven by the steady growth rate in travel demand as well as Changi Airport’s expansion in connectivity.

China remained Singapore’s largest source market in 2025 (18.3% of total arrivals), with Indonesia, Malaysia, Australia and India making up the top five feeder markets. In 2025, China remained Changi Airport’s largest traffic market and registered the highest yoy growth among all source markets, at 12.2%.

Moving forward, STB is shifting its strategies to focus on creating value in the tourism landscape, which is part of the Tourism 2040 plan. This is expected to lead to a significant increase in tourism spending, projected to reach between S\$47 billion and S\$50 billion by 2040, around 1.7 times of 2024’s figure. A strong pipeline of attractions and events is set to further enhance the tourism landscape and reinforcing Singapore as a key destination in the coming years. With the concerted efforts of other players to rejuvenate the current tourism products to be ready for the future, this will also help to boost up demand for the hotel and hospitality industry.

EXISTING AND FUTURE SUPPLY

Based on the data sourced by CBRE and Costar, there are a total of 466 properties across the city with approximately 80,963 hotel and serviced apartment rooms as of December 2025. The total room supply had increased by 12.8% between December 2019 to December 2025 (CAGR: 2.0%). Selected hotels that opened in 2025 include The Laurus, a Luxury Collection Resort, Raffles Sentosa Singapore, Mandai Rainforest Resort by Banyan Tree, Mama Shelter Singapore Orchard and the conversion of Hotel Fort Canning to METT Singapore.

Based on our research, the current pipeline of new hotels and serviced apartments between 2026 and 2028 is expected to result in an increase of 6.0% on the current inventory as at December 2025, equating to a CAGR of 2.0% across the next three years. Selected proposed openings include Hotel Waterloo Singapore - Handwritten Collection, DoubleTree by Hilton Singapore (conversion from Hotel Miramar), Mövenpick Singapore, Hotel Indigo Changi Airport and W Hotel Marina View among others.

Hotel brands are eager to expand their presence, while hotel owners are actively seeking ways to differentiate themselves. The expected new openings further highlights the competitiveness of the Singapore hotel market. As more diverse and innovative accommodations emerge, Singapore continues to position itself as a premier destination for travellers seeking unique experiences.

HOTEL MARKET PERFORMANCE

Occupancy levels for the Singapore hotel market performed at generally healthy levels in the mid 80% range in the years leading up to 2020. Although occupancy levels have rebounded from the lows during the COVID-19 pandemic, they have remained in the low 80% range from 2023 to 2025.

The market experienced rapid growth in Average Daily Rate (ADR) in recent years, particularly from 2022 onwards, with ADR reaching the mid to high S\$200 range. In 2025, however, market ADR eased slightly from its 2024 peak, declining from S\$277 to S\$274. Over the same period, occupancy increased from 81.4% to 82.4%, as hoteliers adjusted pricing strategies in response to a competitive room supply environment, macroeconomic headwinds, and a strong Singapore dollar.

HOTEL MARKET OUTLOOK

Key hotel investment sales in 2025 underscored continued confidence in Singapore’s hospitality sector. 21 Carpenter was acquired by Timemerchant Capital Investment for S\$100 million, translating to approximately S\$2.08 million per key. In addition, Lotus One Investment purchased Duxton Reserve Singapore, Autograph Collection for S\$80 million, or around S\$1.63 million per key. In 3Q 2025, IOI Properties further strengthened its hospitality portfolio by acquiring City Developments Limited’s (CDL) 50.1% stake in JW Marriott Hotel Singapore South Beach, giving it full ownership of the asset.

These transactions reflect strong investor optimism in Singapore’s stable long-term fundamentals, supported by its political stability, resilient economy, and reputation as a safe-haven investment destination. As such, the long-term outlook for the Singapore hospitality and real estate market remains favourable.

PERTH, AUSTRALIA HOTEL PROPERTY SECTOR



TOURISM MARKET OVERVIEW

Western Australia is geographically the largest state in Australia, with an estimated population of over 3 million. The capital city is Perth, which is the most visited destination and home to the headquarters of some of the world’s leading resource companies.

According to the Australia Bureau of Statistics, in 2022, there was an uptick in tourist arrivals, as countries worldwide reopened their borders for international travel without the need for quarantine. This extended into 2023, as international tourist arrivals to Western Australia totaled 0.7 million, accounting for some A\$15.2 million of spending. For 2024, the recovery accelerated with Western Australia receiving over 1.0 million international visitors, up 37.3% on 2023, with A\$16.4 million worth of spend. 2025 (year to June) cemented the recovery with international visitors reaching 1.8 million. The United Kingdom was the largest source market, followed by Singapore, New Zealand, India and Malaysia.

Australia’s tourism outlook in the near term is positive. International arrivals are set to exceed 2019 as aviation capacity rebuilds, visa processing stabilises, and a competitive Australian dollar supports spend. North America, Southeast Asia, India and the Middle East should lead growth; China’s recovery remains uneven but is improving as schedules normalise. Spend will outpace volumes, driven by longer trips, premium nature and food experiences, and inflation. Domestic travel will settle below pandemic highs yet hold above 2019 per capita, supported by flexible work and strong events. Headwinds include high long-haul fares, peak-season capacity constraints, climate disruptions and labour shortages; offsets include digitised borders, destination management at iconic sites, and sustainability investments. Airport upgrades and precinct renewals will enhance dispersal and visitor experience.

Perth is well placed to outperform Western Australia. International seat capacity is rebuilding via Middle Eastern and Southeast Asian carriers, while non-stop London services and stronger interstate links support premium and visiting-friends-and-relatives demand. The METRONET program, Elizabeth Quay maturation, and new products across Rottnest, Swan Valley and Aboriginal cultural experiences will lift appeal and dispersal. Weekends and event periods should compress on AFL, cricket and concerts at Optus Stadium, while midweek demand is anchored by resources, defence and renewables projects.

EXISTING AND FUTURE SUPPLY

There were approximately 16,000 rooms in Perth Metropolitan Region as of December 2025, with no new additions since the prior year. There are approximately 1,200 rooms in the pipeline (representing around 8% of existing supply) including the proposed EQ West Marriott (358 rooms under construction expected 2027), the Dorsett Hotel Perth (250 rooms expected 2027), and the Hyde Perth (121 rooms expected 2027).

We also note that several hotels have recently closed including the Leopold Hotel (202 rooms), Hyatt Regency (367 rooms to be repositioned as long-stay residential apartments), and Fraser Suites (236 rooms acquired by local government to convert into homeless housing).

HOTEL MARKET PERFORMANCE

Market room occupancy in Perth peaked at 81.3% in 2025, with this up 1.8 percentage points on the corresponding period last year. This is a result of increased visits to the city led by events and constrained supply.

In terms of ADR, hoteliers have managed to grow rates steadily despite competitive pressures. ADR at the end of 2025 across the city was A\$159, up 6.3% on the corresponding period last year. As a result, RevPAR increased by 8.7% yoy.

HOTEL MARKET OUTLOOK

Australia’s hotel market is set for disciplined, rate-led expansion through the near-term. International capacity continues to rebuild as carriers reinstate Asia, Middle East and North America links, while a competitive Australian dollar supports inbound spend. Leisure demand has normalised from the staycation peak but remains above 2019 on a per-capita basis; while corporate, project and MICE segments broaden as convention calendars refill and government/infrastructure pipelines roll on. RevPAR growth should be sustained more by average daily rate than occupancy, with peak nights in gateways already at or above prior highs and shoulder periods improving as airline schedules thicken.

Supply is set to remain measured. Higher construction costs, selective lending and planning timelines temper ground-up starts, pushing activity toward conversions, adaptive reuse and staged refurbishments. Openings are concentrated in 2025–2026 from pre-committed pipelines, skewing to upper-midscale lifestyle, boutique and extended-stay/aparthotel formats. Transaction markets should thaw gradually as interest-rate pressures ease and lenders gain confidence in stabilised cashflows.

Perth’s outlook is solid and becoming more diversified. The supply pipeline is selective after substantial additions last cycle; incremental growth will focus on refurbishments, brand refreshes and aparthotel/long-stay products suited to project teams. Performance should remain rate led as operators manage elevated utilities and wages; occupancy is expected to track close to pre-pandemic levels on peak midweeks, with pronounced weekend compression during major events.

AUCKLAND, NEW ZEALAND HOTEL PROPERTY SECTOR



AUCKLAND TOURISM MARKET

Auckland, located to the north of the North Island and often referred to or known as the ‘City of Sails’, is a large metropolitan city and New Zealand’s largest city. It has an estimated population of 1.8 million (as at 30 June 2025 according to Stats NZ) and is the major economic and financial centre of New Zealand.

Auckland is New Zealand’s main tourism ‘gateway’ with most overseas visitors to New Zealand arriving via Auckland International Airport. Although international visitor numbers to New Zealand have rebounded from pandemic lows in the post-COVID-19 period, they remain at approximately 90% of pre-COVID-19 levels, based on the latest arrivals data for the year ended December 2025.

EXISTING AND FUTURE SUPPLY

As at 31 December 2025, the Auckland hotel member base of Hotel Data New Zealand (HDNZ) consisted of a total of 84 hotel and serviced apartment establishments (rated 3 stars and above), comprising 12,450 guest rooms. HDNZ forms part of the Tourism Industry of Aotearoa; it collects and collates monthly hotel trading statistics. However, not all hotels participate in the HDNZ, with the actual number of Auckland hotels and service apartments estimated to be in the region of 15,000 rooms.

Following a period of rising and sustained Auckland hotel occupancy to the low 80% levels between 2014 and 2019, the market responded with a surge in new-build hotel developments and conversions. Since 2019, there has been an increase in hotel and service apartment rooms of approximately 4,200 keys, or around a 48% increase in room supply.

Looking ahead, there are three hotel projects currently under construction (all within the CBD) and scheduled to enter the market between 2026 and 2027, comprising a combined total of approximately 743 keys or a further increase in room inventory of around 6%.

HOTEL MARKET PERFORMANCE

Prior to COVID-19, hotel occupancy levels throughout the wider Auckland hotel market experienced strong improvement over the five-year period from 2012 to 2017, increasing from 75.9% to 86.6% (an historic record). However, average occupancy levels began to ease from 2018: 83.4% in 2018 and declining further in 2019 to 82.2%.

The impact of the COVID-19 pandemic on the Auckland hotel sector was significant with year-ending December 2020 Auckland occupancy rate declining to 49.4% and declining further in 2021 to 40.7%. Average daily room rate (ADR) declined to NZ\$190 in 2020, representing a yoy fall of only 3.6%, although a more substantial decrease was observed in 2021 to NZ\$178.

During 2022, with the gradual re-opening of international borders and fewer COVID-19 related restrictions, the market commenced the early stages of a ‘recovery’; with occupancy improving to 53.7%, together with a strong rebound in ADR to NZ\$204, representing a 15.0% increase over 2021 ADR.

The market recovery trend continued in 2023, with year ending December 2023 occupancy increasing to 71.4%, however remaining well below the 2019 occupancy level of 82.2%. ADR increased to NZ\$224, representing an all-time high. RevPAR for 2023 of NZ\$160 was only 0.7% below the 2019 RevPAR level.

More recently, occupancy retracted in 2024 to 68.2%, while ADR eased to NZ\$212, a decrease of 5.6% yoy. As a result, RevPAR declined to NZ\$145 in 2024, a decrease of 9.8% yoy. The softer occupancy reported in Auckland is somewhat consistent with the wider New Zealand hotel market trends, due in part to a ‘cost of living’ crisis and a generally weaker economic environment. The generally ‘soft’ market conditions flowed through to 2025 with RevPAR declining 2.2% yoy to NZ\$141. While occupancy remained somewhat steady during 2025, the decline in ADR led to an overall decline in RevPAR.

HOTEL MARKET OUTLOOK

Although the Auckland hotel market has transitioned through a ‘post-pandemic’ recovery phase, the recovery has stalled and since retreated (in 2024 and 2025, as measured by RevPAR) and faces the challenge of balancing the surge of new room supply against a gradually improving volume of international visitors and recent completion of the New Zealand International Convention Centre that is anticipated to re-energise hotel demand for Auckland City.

Based upon our estimates of future demand and supply projections and relying heavily upon market sentiment, we envisage a further 2 to 3 year ‘re-stabilisation’ period for the market to reach a new equilibrium following the significant supply introductions.

Auckland occupancy is forecast to ‘stabilise’ in the low-to-mid-70% level, which is below more recent historic occupancies in the high 70% to low 80% range, primarily due to the unprecedented volume of new room supply.

Looking ahead to 2026, supported by a more favourable economic outlook and the opening of the NZICC in February 2026, we expect market ADR growth to likely moderate toward longer-term historical averages of approximately 2.5%, alongside a gradual firming of occupancy toward the low- to mid-70% range.

MALDIVES HOTEL PROPERTY SECTOR

MALDIVES TOURISM MARKET

Tourism arrivals to the Maldives remains robust, reaching record highs. For full year 2025, international arrivals were over 2.2 million, a new record for the destination, representing an increase of 9.8% over the previous year. This has led to a rapid growth in tourist receipts, although some of this can be attributed to an increase in GST. The outlook for 2026 and beyond remains positive particularly with the opening of the new terminal at Velana international airport in July 2025, which will facilitate increased flight capacity and passenger handling.

The Maldives remains a seasonal destination, although there is evidence to suggest that the seasonality effect is becoming less pronounced.

The top 10 source markets for the Maldives have evolved in recent years. Once led by European markets, China and Russia are now consistently the largest source markets. This trend continued in 2025, with China and Russia accounting for a combined share of almost 30% of total arrivals.

The Maldives is set for steady, premium-led tourism growth in the near-term, supported by restored aviation links across the Middle East and Asia, improving China connectivity, and high-income demand. International volumes should edge above 2019 levels, with spend outpacing arrivals as travelers prioritise privacy, villa inventory, and premium all-inclusive experiences. Links via major Middle East and Asia hubs sustain access, while expansion at Velana International Airport is expected to lift capacity and efficiency mid-decade. Seasonality remains pronounced, but broader source-market mix is smoothing shoulder periods.

Market composition will stay diversified: Europe (UK, Germany, Italy, France) anchors lengthier stays; India and the Gulf supply short-haul, short-lead bookings; China’s return adds scale, though group travel policies and schedules may create uneven recovery; Russia/CIS remain volatile. Core segments—honeymoon, luxury leisure, diving, wellness, and multi-generational family travel—are supported by larger villas and kids’ programming.

EXISTING AND FUTURE SUPPLY

According to the Maldives Ministry of Tourism & Environment, there were 196 resorts and hotels (63,848 beds) in the Maldives at the end of 2025. This was slightly down compared to 198 (63,274 beds) at the end of 2024, but up on the 188 (61,706 beds) at the end of 2023. 2022 and 2023 witnessed the largest increase in rooms with the completion of several projects post COVID. Our research shows that a further circa 1,500 rooms are set to be added between the end of 2026 and 2028.

NEWMARK

Notable openings in 2025 included the Centara Grand Lagoon Maldives, Ananea Madivaru Maldives, DusitD2, JW Marriott Kaafu Atoll Island Resort, RAH GILI Maldives, NOOE Maldives Kunaavashi, Joy Island Maldives by The Cocoon Collection, Barceló Whale Lagoon Maldives, and Nala Maldives by Jawakara.

HOTEL MARKET PERFORMANCE

Room occupancy in the Maldives peaked at 66.4% in 2025, up 2.8 percentage points on the corresponding period last year. This is a result of increased tourism arrivals and a slowdown in the new supply pipeline following an influx of rooms in 2023.

In terms of ADR, hoteliers have managed to grow rates steadily despite competitive pressures. ADR at the end of 2025 across the destination was US\$608, up 3.6% on the corresponding period last year. As a result, RevPAR increased by 8.1% yoy.

HOTEL MARKET OUTLOOK

The Maldives enters the near-term with favourable, rate-led fundamentals. Rebuilt air links via the Middle East and Asia, a steadily improving China market, and resilient high-income demand underpin occupancy, while operators protect and grow average daily rate through premium positioning and direct distribution. Seasonality remains pronounced, but a broader source-market mix (Europe for length of stay; India and the Gulf for short-lead travel; gradually China for scale) is smoothing shoulder periods. With island capacity inherently constrained, RevPAR growth is expected to be driven more by ADR than by material occupancy gains.

Supply growth is disciplined. New openings skew to ultra-luxury and upper-upscale private-island concepts, selective expansions on existing leases, and brand-backed conversions/repositionings. Capex is focused on villa upgrades (larger footprints, pools, family rooms), F&B elevation, and wellness/spa reinventions. Parallel growth in guesthouses on inhabited islands is widening the midscale offer and enabling price-sensitive dispersal, though the core resort market remains premium-led. Planning and infrastructure constraints, higher construction costs, and selective lending temper speculative pipeline risk.

Demand composition is diverse and resilient. Honeymoon and luxury leisure remain the anchor, but multi-generational family travel is expanding on the back of larger villas, kids’ programming, and curated learning experiences (marine biology, conservation). Wellness, diving, and culinary are key differentiators; exclusive-use buyouts of small islands are a growing niche. China’s return should add volume, albeit unevenly; Russia/CIS remain volatile. Event-style micro-MICE (weddings, incentives) from South Asia and the Middle East offers incremental shoulder-period lift for well-connected islands.

TOKYO, JAPAN HOTEL PROPERTY SECTOR



TOKYO TOURISM MARKET

According to the Tokyo Metropolitan Government's Survey on the Actual Conditions of Tourists Visiting Tokyo, in 2024, the number of Japanese tourists visiting Tokyo was approximately 479.4 million, and the number of foreign tourists was approximately 24.8 million, representing yoy increase of 1.0% and 26.9%, respectively. Compared to 2019, Japanese tourists decreased by 11.7%, while foreign tourists increased by 63.3%.

In 2024, total spending by Japanese tourists in Tokyo (tourism consumption) reached approximately ¥5.5 trillion, marking a 22.9% increase yoy and a 15.5% increase compared to 2019, setting a record high. Spending by foreign tourists was approximately ¥4.0 trillion, up 43.6% yoy and 213.4% compared to 2019, also reaching an all-time high.

Although the number of Japanese tourists has not fully recovered to 2019 levels, their spending has exceeded 2019 levels, reaching a historic peak. Meanwhile, both the number and spending of foreign tourists have far surpassed 2019 levels, setting record highs for the second consecutive year, driven by factors such as the weak yen and continued recovery in tourism demand.

EXISTING AND FUTURE SUPPLY

According to the Ministry of Health, Labour and Welfare's Sanitation Administration Report, as of March 2025, the total number of existing lodging facilities in Japan, including hotels and ryokan, was 52,946, with 1,782,232 rooms, representing yoy increase of 3.7% and 0.3%, respectively. Compared to March 2019, the number of facilities increased by 6.9%, and the number of rooms by 8.3%.

In Tokyo, as of March 2025, there were 5,858 lodging facilities and 212,888 rooms, marking yoy increase of 32.5% and 2.0%, respectively. Compared to March 2019, the number of facilities surged by 140.5%, and rooms by 21.4%, significantly outpacing the national growth rate.

According to CBRE HOTERES data, 34 hotels (around 4,500 rooms) in Tokyo are scheduled to open or are under construction between 2026 and 2029. This represents around 2.1% of the existing supply of rooms.

The number of lodging facilities in Tokyo expanded significantly due to increased demand from the Tokyo Olympics and expectations for inbound recovery. Going forward, the pace of new supply growth may slow due to persistently high construction costs and difficulties in securing land.

HOTEL MARKET PERFORMANCE

According to the Japan Tourism Agency's Accommodation Travel Statistics Survey, from January to December 2025, the total number of overnight guests in Japan was approximately 653.3 million, representing a 0.9% decrease compared to the same period of the previous year. While Japanese guests declined by 3.8%, foreign guests rose by 7.8%, reinforcing the upward trend in inbound visitors. Compared to the same period in 2019, total guests increased by 9.6%, Japanese guests declined by 0.9%, and foreign guests surged by 53.3%.

From January to November 2025, Tokyo recorded 97.1 million overnight guests, down 3.1% year-on-year. Japanese guests fell by 12.1%, while foreign guests rose by 5.5%. Compared to the same period in 2019, total guests increased by 35.0%, Japanese guests decreased by 4.7%, and foreign guests soared by 101.5%, highlighting a sharp rise in foreign visitors.

According to the Japan Tourism Agency, Tokyo business hotels achieved an occupancy rate of 83.1% in 2024, up 3.2 percentage points from 2023. This is nearly the same level as 2019 (84%), despite a substantial increase in hotel room supply since 2019, underscoring the strong demand.

CBRE Research reports that the total hotel investment volume in Japan reached ¥791 billion in 2025, down 33% from the previous year. In Q4 2025, investment volume fell 67% yoy to ¥154 billion, primarily due to the high base effect from the record-high volumes achieved in Q4 2024.

According to CBRE's quarterly investor survey on expected yields, the expected NOI yield for operator-managed hotels in Tokyo's five major wards was 4.25% in Q4 2025, down by 13 bps from the Q4 2024 survey.

Hotel performance has improved due to increasing demand, particularly from inbound tourism, prompting investors to actively pursue acquisitions of well-performing hotels.

HOTEL MARKET OUTLOOK

From January to December 2025, the number of foreign overnight guests in Japan reached approximately 177.3 million, up 7.8% yoy and 53.3% compared to the same period in 2019, setting a record high.

With expanded air routes and strengthened promotion of regional tourism resources, inbound demand is expected to continue growing, supporting sustained growth in Japan's hotel market.

Driven by the increase in foreign visitors, hotel performance remains robust. Against this backdrop, Japan's hotel market continues to attract strong interest from both domestic and international investors and is expected to maintain its position as a leading hotel investment destination in the Asia-Pacific region in 2026.

CAMBRIDGE, UNITED KINGDOM HOTEL PROPERTY SECTOR



TOURISM MARKET OVERVIEW

In 2024, the UK received approximately 42.6 million overnight visitors, up 6% compared to 2023, with £32.5 billion worth of spend. The United States again was the largest source market with 5.6 million visitors, followed by France (3.6 million), Germany (3.3 million), Ireland (2.9 million) and Spain (2.6 million).

Tourism arrivals are expected to reach 44.3 million at the end of 2025, up 4.2% on the previous year, according to the latest estimates by Visit Britain. This continued the upward trend witnessed since 2022, with 2025 expected arrivals up 41.9% compared to 2022. Total visitor expenditure is expected to reach £34.6 billion in 2025, up 6.5% on the previous year, and representing a 30.6% increase since 2022.

Cambridge is the main city of Cambridgeshire, a county in the east of England region. According to data from Visit Britain, the region received 9.7 million overnight visitors in 2024, accounting for some 27.7 million room nights, or almost 3 nights per stay. Overnight visitation has increased to 10.0 million in 2025 (estimated) according to Visit Britain.

The UK tourism outlook in the near-term points to steady, if uneven, growth. International arrivals should edge above pre-pandemic levels as capacity rebuilds, a weak pound persists, and long-haul markets—North America, the Gulf, and gradually China—recover. Spend should outpace volumes due to inflation, premium product demand, and lengthening stays. Domestic leisure remains resilient, supported by flexible work patterns and value-seeking behavior. Headwinds include higher fares, living-cost pressures, airport constraints, and the rollout of the UK Electronic Travel Authorisation, which may add minor friction before a more digitised border delivers benefits.

Cambridge's tourism outlook to 2028 is robust, underpinned by a powerful blend of heritage appeal, a world-class university brand, and a flourishing science and technology ecosystem. Domestic short breaks should remain resilient, while international visitation continues to rebuild, supported by proximity to London Stansted and fast rail to London King's Cross and Liverpool Street. Day-trip volumes will stay high, but the city has scope to convert more visitors into overnights through curated experiences that bundle college access, punting, museums, and dining.

EXISTING AND FUTURE SUPPLY

As of December 2025, Cambridge had approximately 5,275 hotel rooms. Wilde by Staycity, an apart-hotel with 227 rooms opened in 2025, with the 56-room Hobson by Adina also opening.

Looking forward, there are nine new projects (866 rooms) in the pipeline for the near future, primarily located outside Cambridge city center. These include a 300-room hotel to be located within the Eddington development, which will be a dual-branded apart-hotel and four-star property (2027) is currently under construction. In addition, a dual-branded four-star and apart-hotel with 217 rooms is also planned for Orchard Park (2028).

HOTEL MARKET PERFORMANCE

Over the past five years, Cambridge has generally followed the same hotel demand trend as the wider East of England. Room occupancy in Cambridge peaked at 77.4% in 2024, dropping slightly to 74.3% at the end of 2025. This is a result of increased room supply in the city.

In terms of ADR, hoteliers have managed to keep rates steady despite competitive pressures. ADR at the end of 2025 across the city was £137, flat on the corresponding period last year. As a result, RevPAR increased by 2.0% yoy.

HOTEL MARKET OUTLOOK

The UK hotel market is set for steady, demand-led growth to 2028, with RevPAR supported more by pricing than occupancy. ADR should remain structurally higher than 2019 levels as operators protect margins and lean into premium and experiential products; occupancy is likely to plateau just below or around pre-pandemic peaks in gateway cities as air capacity and corporate travel normalize. Leisure will stay resilient, while international demand gradually rebases upward, particularly from North America and the Gulf. MICE and group segments should keep improving on the back of a fuller events calendar and a more predictable rail and air environment.

Supply growth remains disciplined. Elevated construction costs and selective lending are slowing new builds, favoring conversions, adaptive reuse, and phased refurbishments. Openings will cluster in 2025–2026 as delayed schemes complete, with extended-stay, aparthotel, and upper-midscale lifestyle brands taking share. Operating costs—labour, energy, insurance—remain a headwind, but are being mitigated by automation (mobile check-in, smart housekeeping), dynamic pricing, and energy-efficiency retrofits. ESG will be a differentiator for corporate RFPs and financing, with green loans increasingly available for verifiable upgrades.

The hotel market in Cambridge enters this period from a position of relative strength. Supply is balanced across upscale and lifestyle. Planning sensitivity in the historic core and high construction costs temper new-build risk, favouring conversions, mixed-use schemes near stations and science parks, and asset-light brand entries.

Performance in the near term is expected to be rated. ADR should remain structurally above 2019 levels as operators offset elevated labour, energy, and insurance costs; revenue management sophistication and premium room mix will support yield. Occupancy is likely to normalise close to pre-pandemic highs on peak midweeks, driven by corporate, academic, and project stays, with strong weekend compression in spring and early autumn. MICE and group segments should steadily improve as international academic collaboration and tech-sector events expand.

MANCHESTER, UNITED KINGDOM HOTEL PROPERTY SECTOR

TOURISM MARKET OVERVIEW

In 2024, the UK received approximately 42.6 million overnight visitors, up 6% compared to 2023, with £32.5 billion worth of spend. The United States again was the largest source market with 5.6 million visitors, followed by France (3.6 million), Germany (3.3 million), Ireland (2.9 million) and Spain (2.6 million).

Tourism arrivals are expected to reach 44.3 million at the end of 2025, up 4.2% on the previous year, according to the latest estimates by Visit Britain. This continued the upward trend witnessed since 2022, with 2025 expected arrivals up 41.9% compared to 2022. Total visitor expenditure is expected to reach £34.6 billion in 2025, up 6.5% on the previous year, and representing a 30.6% increase since 2022.

Manchester is a city and metropolitan borough in the county of Greater Manchester, Northwest England. According to data from Visit Britain, the region attracted 10.5 million overnight visitors in 2024, accounting for some 25.6 million room nights, or 2.4 nights per stay. Overnight visitation has increased to 11.5 million in 2025 (estimated) according to Visit Britain.

The UK tourism outlook in the near-term points to steady, if uneven, growth. International arrivals should edge above pre-pandemic levels as capacity rebuilds, a weak pound persists, and long-haul markets—North America, the Gulf, and gradually China—recover. Spend should outpace volumes due to inflation, premium product demand, and lengthening stays. Domestic leisure remains resilient, supported by flexible work patterns and value-seeking behavior. Headwinds include higher airfares, living-cost pressures, airport constraints, and the rollout of the UK Electronic Travel Authorisation, which may add minor friction before a more digitised border delivers benefits.

Manchester is positioned to outperform. Expanding cultural and events infrastructure—Co-op Live (opened 2024), Aviva Studios/Factory International, and enhancements around the Etihad Campus—will attract high-yield music, culture, and sports visitation. The Manchester Airport Transformation Programme, with an enlarged Terminal 2 completed in 2025, should improve capacity and passenger experience, supporting added long-haul connectivity to North America, the Middle East, and South Asia.

Looking forward to 2028, the UEFA EURO 2028 tournament, which will include matches in Manchester—will deliver intense demand spikes and media exposure. Business events should benefit from the city's strengths in advanced manufacturing, life sciences, digital/creative industries, and MediaCityUK expansions. Sustainability expectations will rise, favoring energy-efficient buildings, low-carbon operations, and rail-first itineraries as TransPennine route upgrade works improve reliability.

NEWMARK

EXISTING AND FUTURE SUPPLY

There were approximately 28,139 rooms in Manchester as at end 2025, up 3.2% yoy, with some 1,900 rooms in the pipeline, representing around 7% of existing supply. In 2025, there were four hotel openings: Tribe Manchester Airport (412 rooms), Radisson City Centre (252 rooms), Treehouse Manchester (225 rooms), and Soho House (23 rooms), with Mollies Motel (128 rooms) having a soft opening at the end of the year. The year also saw the closing of the Best Western Cresta Court (148 rooms) for redevelopment.

Beyond this, some of the notable openings will be the W Hotel (162 rooms), Hampton by Hilton Manchester City Centre (358 rooms), and Motto by Hilton Manchester Piccadilly (154 rooms) which are all expected to open by end 2027.

HOTEL MARKET PERFORMANCE

Over the past five years, Manchester has generally followed the same hotel demand trend as the wider North West of England. Room occupancy in Manchester peaked at 77.7% in 2023 and 2024, dropping slightly to 77.5% at the end of 2025.

In terms of ADR, hoteliers have managed to keep rates steady despite competitive pressures. ADR at the end of 2025 across the city was £119, a 3.3% increase on the corresponding period last year. As a result, RevPAR increased by 3.0% yoy.

HOTEL MARKET OUTLOOK

The UK hotel market is set for steady, demand-led growth to 2028, with RevPAR supported more by pricing than occupancy. ADR should remain structurally higher than 2019 levels as operators protect margins and lean into premium and experiential products; occupancy is likely to plateau just below or around pre-pandemic peaks in gateway cities as air capacity and corporate travel normalize. Leisure will stay resilient, while international demand gradually rebases upward, particularly from North America and the Gulf. MICE and group segments should keep improving on the back of a fuller events calendar and a more predictable rail and air environment.

Supply growth remains disciplined. Elevated construction costs and selective lending are slowing new builds, favoring conversions, adaptive reuse, and phased refurbishments. Openings will cluster in 2025–2026 as delayed schemes complete, with extended-stay, aparthotel, and upper-midscale lifestyle brands taking share. Operating costs—labour, energy, insurance—remain a headwind, but are being mitigated by automation (mobile check-in, smart housekeeping), dynamic pricing, and energy-efficiency retrofits. ESG will be a differentiator for corporate RFPs and financing, with green loans increasingly available for verifiable upgrades.

Manchester is positioned to outperform the national average. Event-led compression from Co-op Live, Aviva Studios, Premier League fixtures, and EURO 2028 will sustain strong weekend and shoulder-period rates, while the airport expansion underpins international mix. The pipeline skews to lifestyle and extended-stay, aligning with media, sports, and project-based demand.

EXETER, UNITED KINGDOM HOTEL PROPERTY SECTOR

TOURISM MARKET OVERVIEW

In 2024, the UK received approximately 42.6 million overnight visitors, up 6% compared to 2023, with £32.5 billion worth of spend. The United States again was the largest source market with 5.6 million visitors, followed by France (3.6 million), Germany (3.3 million), Ireland (2.9 million) and Spain (2.6 million).

Tourism arrivals are expected to reach 44.3 million at the end of 2025, up 4.2% on the previous year, according to the latest estimates by Visit Britain. This continued the upward trend witnessed since 2022, with 2025 expected arrivals up 41.9% compared to 2022. Total visitor expenditure is expected to reach £34.6 billion in 2025, up 6.5% on the previous year, and representing a 30.6% increase since 2022.

Exeter is one of two large urban centres within the rural county of Devon, Plymouth being the other, located in the Southwest of England. According to data from Visit Britain, the region received 15.4 million overnight visitors in 2024, accounting for some 49.1 million room nights, or 3.2 nights per stay. Preliminary estimates by Visit Britain suggest overnight visitors may have grown by between 4 to 5% yoy in 2025.

The UK tourism outlook in the near-term points to steady, if uneven, growth. International arrivals should edge above pre-pandemic levels as capacity rebuilds, a weak pound persists, and long-haul markets—North America, the Gulf, and gradually China—recover. Spend should outpace volumes due to inflation, premium product demand, and lengthening stays. Domestic leisure remains resilient, supported by flexible work patterns and value-seeking behavior. Headwinds include higher airfares, living-cost pressures, airport constraints, and the rollout of the UK Electronic Travel Authorisation, which may add minor friction before a more digitised border delivers benefits.

Exeter's tourism outlook in the near-term is steadily positive, underpinned by resilient domestic short break demand and a gradual return of international visitors using the city as a gateway to Devon, Dartmoor National Park, and the UNESCO Jurassic Coast. Accessibility is supported by strong rail links to London, Bristol and the South West, major road corridors (M5, A30 and A38), and the gradual recovery of Exeter Airport, while resilience works along the Dawlish coastal rail section continue to enhance reliability. Within the city, investments in public realm, culture, and wellness—exemplified by St Sidwell's Point and enhancements around the Historic Quayside—reinforce Exeter's positioning as a compact, walkable heritage centre with strong outdoor and nature links.

Demand drivers remain broadly diversified. Flagship heritage assets—Exeter Cathedral, the Royal Albert Memorial Museum, and the Historic Quayside—combine with riverside cycling and estuary trails to attract value seeking families and couples. The city's food scene and independent retail strengthen the appeal of two-to-three-night itineraries that mix culture, coast, and countryside. Events and institutions add stability: Exeter Chiefs at Sandy Park, Exeter City FC, Westpoint Exeter exhibitions, and the University of Exeter's academic calendar and graduations deliver reliable shoulder season peaks. Sustainability

preferences are nudging rail first travel and longer, less frequent trips; improved rail resilience, EV charging rollout, and high-quality town and trail experiences should benefit Exeter relative to farther flung Southwest destinations.

EXISTING AND FUTURE SUPPLY

There were approximately 1,150 rooms in Exeter City Centre as at December 2025, with some 300 rooms in the pipeline, however these projects are all in the planning phase and it is unsure if they will come to realization. There have been no new hotel openings in Exeter City Centre since 2022 and given the heritage conservation plan for the city centre, it is unlikely new hotels will be allowed in the near future.

HOTEL MARKET PERFORMANCE

Over the past five years, Exeter has generally followed the same hotel demand trend as the wider South West of England. Room occupancy in Exeter peaked at 78% in 2025, slightly above the previous year.

In terms of ADR, hoteliers have managed to increase rates as new supply remains restricted. ADR in 2025 across the city was £108, an increase of 6.5% on the corresponding period last year. This indicates a period of sustained demand, as the market remains stable. As a result, RevPAR increased by 6.8% yoy.

HOTEL MARKET OUTLOOK

The UK hotel market is set for steady, demand-led growth to 2028, with RevPAR supported more by pricing than occupancy. ADR should remain structurally higher than 2019 levels as operators protect margins and lean into premium and experiential products; occupancy is likely to plateau just below or around pre-pandemic peaks in gateway cities as air capacity and corporate travel normalize. Leisure will stay resilient, while international demand gradually rebases upward, particularly from North America and the Gulf. MICE and group segments should keep improving on the back of a fuller events calendar and a more predictable rail and air environment.

Supply growth remains disciplined. Elevated construction costs and selective lending are slowing new builds, favoring conversions, adaptive reuse, and phased refurbishments. Openings will cluster in 2025–2026 as delayed schemes complete, with extended-stay, aparthotel, and upper-midscale lifestyle brands taking share. Operating costs—labour, energy, insurance—remain a headwind, but are being mitigated by automation (mobile check-in, smart housekeeping), dynamic pricing, and energy-efficiency retrofits. ESG will be a differentiator for corporate RFPs and financing, with green loans increasingly available for verifiable upgrades.

Hotel market dynamics for Exeter are favourable but disciplined. Average daily rates are expected to remain structurally above 2019 levels as operators protect margins amid elevated energy, insurance, and wage costs; occupancies should track a touch below previous peaks midweek, with resilient weekend and event period compression. The demand mix will rebalance slowly toward international, but domestic leisure and university related stays remain the bedrock. Corporate and government travel tied to the Met Office, education, healthcare, and professional services should normalise, aided by dependable rail operations.

MANCHESTER, UNITED KINGDOM RESIDENTIAL MARKET



BUILD-TO-RENT MARKET

Manchester remains one of the most established Build-to-Rent ('BTR') locations outside London, underpinned by resilient demand, stable pricing and strong occupancy. Despite planning delays linked to the Building Safety Act ('BSA'), investor appetite has held firm, with macro conditions improving yoy, as inflation eases and funding costs stabilise, evident with transactions amounting to £265 million across major deals Slate Yard (Salford) and Plot F1 (Manchester). Forward funding activity has slowed, but stabilised assets continue to attract core-plus investors seeking reversionary opportunities. Liquidity challenges persist for large lot sizes (£100m+), yet pricing remains resilient, supported by robust rental performance and a chronic undersupply of good quality accommodation, evidenced by schemes achieving 95%+ occupancy consistently across the city.

Employment prospects in Manchester are also supportive, with Oxford Economics ('OE') forecasting approximately 65,000 net additional jobs by 2040 driven by professional, scientific and technical activities and other high value sectors.

EXISTING AND FUTURE SUPPLY

As of Q4 2025, Manchester currently has 35 operational BTR schemes providing 12,127 homes. A further 7 schemes are under construction with 2,725 homes, and 7 schemes have planning consent for 2,286 homes. If all schemes are delivered, total BTR stock will reach 17,138 homes, representing a significant uplift on current supply.

Penetration in Manchester is around 5.8% of private rented sector PRS households, increasing to 9.4% when schemes under construction are included. Delivery is expected to slow, with annual completions forecast to average 833 units through 2029, maintaining pressure on availability.

DEMAND DRIVERS

Demand remains strong, with Manchester's population standing at approximately 557,000 and is forecast to grow by a further 3.4% by 2033, adding approximately 19,000 residents (ONS population projections). Demographics are highly supportive of BTR, with 46% of the working-age population between 25 and 44 years old, which is widely considered to be the prime renting cohort. Graduate retention in Manchester is among the strongest in the UK at 51%, ensuring a steady flow of skilled renters. Employment growth reinforces this demand, with OE forecasting 65,000 net additional jobs by 2040, driven by high-value sectors such as technology, media and professional services. These fundamentals, combined with limited rental supply, position BTR as a critical component of Manchester's housing market.

AFFORDABILITY AND RENTAL PERFORMANCE

Rental values across Manchester remain competitive relative to income levels, supporting the case for BTR. Average monthly rents in Manchester at Q4 2025 are approximately £1,239 for 1-bedroom apartments, £1,555 for 2-bedroom apartments and £2,140 for 3-bedroom apartments (excluding penthouse style). Approximately 48% of private renters earn £40,000 or more annually, which supports affordability for BTR schemes.

Rental growth has been strong, with a 5-year compound annual growth rate of c.10% for 2-bedroom units. Supply constraints, withdrawal of smaller landlords in combination with the prevalence of single professionals and sharers, underpins strong demand for well managed schemes.

MARKET PERFORMANCE AND OUTLOOK

Manchester's BTR market is positioned for continued growth, supported by strong demographic and economic fundamentals. Population is projected to rise by 3.4% by 2033 (ONS), while PRS reliance is expected to deepen as affordability pressures persist.

Employment expansion remains a key driver, with OE forecasting 65,000 additional jobs by 2040 in high-value sectors such as technology, media and professional services.

With current supply accounting for less than 10% of private renters and pipeline delivery expected to moderate, the market is far from saturation. Therefore, the BTR market is positioned to play an essential role in addressing housing needs and delivering high quality, professionally managed homes in one of the United Kingdom's most dynamic regional economies.

LIVERPOOL, UNITED KINGDOM PBSA MARKET



UK PBSA OCCUPATIONAL MARKET¹

Undergraduate demand for the 2025/26 academic year saw a 2.3% increase yoy, in terms of total acceptances for UK HEIs, to a record level of 577,725 (Source: UCAS). International undergraduate interest remains robust; acceptances for China and the US rose 14% and 12% yoy. This trend is further supported by a yoy uptick in sponsored study visa applications.

Conversely, postgraduate demand appears more uncertain. A recent survey² revealed that 58% of prospective international postgraduates are less likely to choose the UK following recent visa changes prohibiting the cohort from bringing dependants and following the shortening of post-study visas to 18 months.

New bed delivery has been limited to a handful of locations where viability, requiring at least £230 per week, can still be achieved. The 2025/26 academic year saw just over 19,200 beds completed - 24% in London, and a further 21% across Nottingham and Leeds. Future delivery is set to average 12,000 beds annually over the next five years, with Gateway 2 delays extending timelines by a year or more. Timelines may be extended and not all beds delivered as development periods, rising construction costs, and higher debt costs threaten viability.

Accommodation options for students outside of PBSA are evolving. The development of Multifamily (MFH) accommodation in some markets has led to a shift in available private rented stock for students because of young professionals taking MFH accommodation. However, tax changes, higher stamp duty, and renter's right legislation is prompting some private landlord exits.

Occupational performance for the 2025/26 academic year has been location and rental tone-dependent with rental growth varying significantly. Lettings varied across locations following two exceptionally strong cycles for several reasons. New supply, concentrated in certain areas, has challenged rental growth, along with increasingly affordable MFH; some assets are up to 30% occupied by students. There is also a diverse spread of university performances, with some over recruiting (top tariff Russell Group), and others making redundancies. Further uncertainty regarding postgraduates (due to data lags) is creating divergent trends in demand and student numbers.

Changed student behavior is also having an impact: UCAS reported in its recent data release that the proportion of domestic 18-year-old accepted applicants intending to live at home and commute increased from 22% to 31% YoY for the 2025/26 academic year. Booking behaviors have also shifted - letting cycles are starting later as students hope to benefit from dynamic pricing with reduced rents and incentives. Operators now offer incentives such as rent-free periods and cashback, especially later in the cycle and in regional locations with substantial new supply.

The market is now recalibrating to more stable, long-term fundamentals, with a normalising of rental growth to 3-4%, as evidenced in advertised rents for 2026/27 as at December 2025.

LIVERPOOL OCCUPATIONAL MARKET¹

The city has 55,220 full-time students (HESA, 2023), reflecting 0.6% growth since 2021. The total PBSA bed count in Liverpool stands at 30,493, with 90% of stock delivered before 2021. There are 24,929 private bed spaces, with a further 1,725 beds holding planning permission. The pipeline comprises nine schemes, with around 700 beds having completed for the 2025/26 academic year.

For the 2025/26 academic year, Liverpool saw relatively strong occupancy across the market, albeit with relatively muted rental growth. Median PBSA rents rose by 3.6% between the 2024/25 and 2025/26 academic years, broadly consistent with average rental growth across the UK outside London.

UK PBSA INVESTMENT MARKET¹

£3.64bn of PBSA assets traded in 2025. Notable transactions include:

- KKR's £230m acquisition of Project Sandpiper in August (2,179 beds), reflecting an NIY of 5.50% on the 2025/26 academic year income.
- Lonestar's £212m acquisition of the Nova Portfolio from Unite in September (3,643 regional beds), reflecting an NIY of 6.35% on the 2025/26 academic year income.
- Legal and General's £160m forward funding of 737-bed development in on Upper Brook Street in Manchester in December, with practical completion due in 2028.

A wide bid-ask spread persists. Transaction timelines remain extended due to increased due diligence, especially around building safety. Gilts are the biggest hurdle, with the risk-free rate being too high to justify investment for some stakeholders.

Unite's acquisition of Empiric Student Property is evidence of positive market sentiment. There is scope for more market activity, with almost £1bn in deals under offer or nearing completion. An additional £1.9bn in opportunities have launched.

Transactions in truly best-in-class PBSA assets remain limited, with many assets failing to meet the latest regulatory and ESG standards. Older/secondary assets are seeing significant discounts with core capital focused on scarce, top-tier opportunities.

Elevated construction and debt costs have made forward funding less viable, prompting increased interest in innovative joint ventures and lower-risk value-add opportunities.

However, as the market starts to return to more normalised rents and returns, NIYs have been impacted and have seen softening since December.

OUTLOOK

Despite postgraduate demand uncertainty, undergraduate demand remains strong at the macro-level. Rental growth is now normalising at the macro-level, revealing strong polarisation in booking velocities and rental growth across cities and micro-locations.

Occupational demand drivers will shift as affordability becomes a key driver for demand. Launch rents for 2026/27 are more cautious, with operators prioritising occupancy. Partnerships and nomination agreements appear to be increasing in popularity and aggressive dynamic pricing for the top tier product (the only viable room type to build) is less likely due to congestion.

Development viability remains challenged. As a result, investors will increasingly be targeting asset management and refurbishment strategies. While new supply of adequate student housing slows, the value of operational stock will remain insulated, particularly those with fire safety and ESG credentials in prime locations.

(1) This commentary is reflective of the market as at 31 December 2025. New data, including UCAS applications data for 2026/27 has been released since, but would not have been available to market participants at this date, and is therefore excluded from this commentary.
(2) Survey released May 2025, and undertaken by Keystone Education Group.

MUNICH, GERMANY HOTEL PROPERTY SECTOR

MUNICH TOURISM MARKET

Munich is the capital of the Free State of Bavaria. With a population of around 1.6 million (as of December 2025), it is the third largest city in Germany after Berlin and Hamburg.

Compared to other German cities, Munich attracts the second largest number of guests in terms of overnights after Berlin, which is due to the city's high attractiveness for both leisure and corporate/MICE guests. In terms of corporate demand, the city is a leading business location with a total of eight DAX companies operating in Munich and its surroundings. In addition, Munich is also known as "Isar Valley" (in the style of Silicon Valley), due to the considerable number of high-tech companies such as IBM, Apple and Google having large-scale offices in the city.

Munich remains one of Germany's leading MICE markets, supported by the strong performance of Messe München. After welcoming 1.3 million visitors in 2024, attendance rose markedly in 2025 due to a strong trade fair cycle, with over 2.5 million visitors projected across 18 in-house exhibitions and 73 guest events, including major fairs such as BAU, IAA Mobility and bauma, the latter attracting around 600,000 attendees.

Leisure demand in Munich remains robust, supported by its historic attractions and major events. Oktoberfest drew 6.7 million visitors in 2024 and around 6.5 million in 2025, while large-scale events such as Adele's 10 concerts, UEFA EURO 2024 matches and fan activities in Olympiapark significantly boosted visitor volumes. In 2024, arrivals and overnight stays increased by 8.4% and 5.5% respectively. The strong performance initially continued into 2025, supported by major trade fairs such as BAU and bauma, as well as high-profile football events including the Champions League final and the UEFA Nations League. Demand softened in the third quarter of 2025 due to the absence of comparable mega-events from the previous year. While domestic overnight stays remained stable through September 2025, international overnight stays declined by 6.7%, resulting in a 2.6% decrease in overall overnight stays. The balance between domestic and international demand remains healthy, with international visitors accounting for 45.0% of overnight stays in 2024.

EXISTING AND FUTURE SUPPLY

As of November 2025, Munich's accommodation supply has continued to expand, reaching 477 establishments with a total of approximately 99,500 beds. This reflects steady growth in recent years, supported by several notable hotel openings across the midscale, upscale and luxury segments. Recent additions include a range of midscale and upper-midscale properties such as Motel One Munich-Hauptbahnhof II, Cocoon Munich Theresienwiese, Numa Munich Obersending, Stay Kooook Hotel, and others that opened between 2024 and 2025.

Looking ahead, development activity remains present but more restrained compared with previous cycles. The current pipeline consists of 26 projects (either under construction or in planning) representing a total of approximately 4,000 rooms scheduled for completion by 2030. This corresponds to a projected 8% increase in bed supply relative to the most recent levels. Despite the reduced pipeline volume, these planned and ongoing developments indicate continued confidence in Munich's hospitality sector, particularly in the upscale, long-stay, and lifestyle categories.



HOTEL MARKET PERFORMANCE

Munich continues to achieve the highest ADR among Germany's major hotel markets, supported by a strong mix of MICE, corporate and leisure demand.

After the significant decline in performance during the pandemic years, the market has shown consistent rate growth since 2021. Large events such as Oktoberfest and the high-profile Adele concerts helped drive ADR to a new record of €140.16 in 2024. Inflationary pressure in 2022 and 2023 also contributed to this upward trend. Despite the strong pricing performance, occupancy has not fully returned to its pre-pandemic level, with the market reaching 70.0% in 2024. This was sufficient, however, to lift RevPAR to €98.08 in 2024, which exceeded the 2019 result by €3.55. Performance continued to improve during the course of 2025, with both ADR and occupancy recording increases of 2.6% and 1.5 percentage points, respectively, compared with full year 2024. These developments resulted in a RevPAR of €102.84 for full year 2025, representing an increase of approximately 4.9% compared with the previous year.

HOTEL MARKET OUTLOOK

Despite the recent recovery in demand, the tourism and hotel sector continues to operate in an environment marked by geopolitical uncertainty and weakened household purchasing power. These factors are likely to moderate travel activity in Germany in the short term. Rising operating costs, particularly energy and labour, remain a concern for hotel profitability. Nevertheless, Munich is expected to be less affected than other destinations owing to its strong international profile, diverse economic base and continuing appeal to both leisure and business travellers. Stabilising inflation and interest rates are anticipated to provide additional support for the market.

Investor sentiment toward Munich remains broadly positive, reflected in increased transactional activity in recent years. While investment levels in 2024 remained below pre-crisis norms, the market showed early signs of normalisation. Munich recorded a transaction volume of approximately €148.5 million in 2024, representing a yoy increase of 235.2% and ranking third among Germany's top seven cities. Momentum strengthened further in 2025: transactions amounted to around €300.0 million, driven largely by the sale of the Mandarin Oriental Munich and the Courtyard by Marriott Munich City Center. Munich contributed roughly 16.0% of the total hotel transaction volume in Germany in 2025 and once again ranked third among Germany's top seven cities.

Overall, while broader macroeconomic conditions continue to prompt caution in the hospitality sector, Munich's strong positioning, combined with stabilising financial markets, suggests that investment activity will continue to progress toward more normalised levels.

FLORENCE, ITALY HOTEL PROPERTY SECTOR



FLORENCE TOURISM MARKET

The Municipality of Florence has experienced a steady increase in demand over recent years, highlighting the strong appeal of the destination, particularly among international tourists, who account for 84% of total bednights.

Business-related demand is primarily driven by the fashion, food, and pharmaceutical sectors, which also contribute to the development of a MICE market.

According to the latest available data provided by Istat as January 2026, Florence recorded approximately 2.8 million arrivals and 6.1 million bednights in 2024. The demand showed a slight increase from 2023, with overnight stays increasing by just 1%. This slowdown in growth is mainly due to a decline in domestic demand, while international demand has continued to grow, increasing by 4% yoy.

The average length of stay (ALoS) has significantly decreased following the pandemic, especially among domestic visitors, whose ALoS dropped from 2.5 days in 2019 to 1.7 days in 2024.

In 2024, the domestic market accounted for only 20% of total overnight stays in the province of Florence, while the top three international source markets were the United States, the United Kingdom, and Spain, representing 41% of international overnight stays. The United States showed a strong recovery from the pandemic years, exceeding 2019 levels by over 300,000 overnight stays, equivalent to an increase of nearly 21%. In 2024, Japan and Russia dropped out of the city's top 10 source markets, making way for Canada and Mexico.

EXISTING AND FUTURE SUPPLY

With over 14,400 rooms across 362 hotels as of December 2024, Florence ranks among the four most important hotel markets in Italy. Between 2014 and 2019, the 4-star segment experienced the most significant growth, both in terms of the number of hotels (+5.3% CAGR) and rooms (+3.3% CAGR). This was followed by the 5-star segment, which recorded a CAGR of 4.6% in hotel count and 3.3% in room supply.

An analysis of the hotel supply within the Municipality of Florence reveals a decline in the number of hotel establishments in 2024 compared to 2019. This reduction is primarily due to a ban on the opening of new hotels imposed by the local government.

However, when examining individual categories, 5-star hotels showed the most notable growth between 2019 and 2024, both in terms of number of properties (+30%) and room count (+30%). Specifically, the number of 5-star hotels increased from 20 in 2019 to 26 in 2024, while the number of rooms rose from 1,213 to 1,582 over the same period.

The most important openings within the luxury segment in 2025 include the Auberge Collegio alla Querce (83 keys in Via delle Forbici, Florence) and the W Florence (119 keys in Piazza dell'Unità Italia, Florence).

The Four Seasons is currently being renovated and will see an increase in the accommodation capacity. This will presumably lead to some further improvement in the positioning of the historic Florence market leader. Considering the moratorium currently in place in Florence, any further supply growth on top of the following pipeline is not expected to be significant: the city will see the opening of the Baccarat Florence, the reopening after refurbishment of the Villa San Michele in Fiesole and the opening of the Capella scheme in Florence, which will also include residential units in via San Gallo.

HOTEL MARKET PERFORMANCE

Between 2014 and 2019, RevPAR in the Province of Florence continued to increase, driven by both ADR and occupancy. The strongest growth trends, particularly in ADR, were recorded in the upper-upscale and luxury segments, contributing to an improvement in overall market performance. According to CoStar, RevPAR decreased yoy in 2025, driven by a 5% decrease in ADR and a continued slight decline in occupancy by 3 percentage points. Nevertheless, RevPAR for 2025 exceeded 2019 levels by an impressive 34%, highlighting the market's strong recovery and resilience.

The seasonality trend in the province of Florence shows a high season spanning eight months, from March to October, with demand primarily driven by leisure tourism and partially by conventions and events.

HOTEL MARKET OUTLOOK

Following the recent strong increase of supply with the opening of TSH (The Social Hub) and Radisson Blu, the upper midscale and upscale segment are readjusting in terms of performance. However, demand remains strong and operators expect this new supply to be soon absorbed by the market.

Supply pipeline in the luxury and ultra luxury segment, combined with the requalification of existing established supply (i.e. the Four Seasons and the Belmond) will further drive the upward positioning of the overall market.

BOARD OF DIRECTORS

M&C REIT MANAGEMENT LIMITED (THE “H-REIT MANAGER”)
M&C BUSINESS TRUST MANAGEMENT LIMITED (THE “HBT TRUSTEE-MANAGER”)

CHAN SOON HEE, ERIC, 72
Chairman
Independent
Non-Executive Director



Date of appointment as Director: 22 June 2018
Date of appointment as Chairman: 22 June 2018

- Board committees:
• Nominating and Remuneration Committees (Chairman)
• Board Sustainability Committees (Member)

Present directorships in other listed companies:
• Nil

Present principal commitments:
• Thoughts Advisory Pte. Ltd. (Founder and Chief Executive Officer)

Past directorships in other listed companies and principal commitments held in the preceding five years:
• Nil

Mr Chan Soon Hee, Eric is a founder and the Chief Executive Officer of Thoughts Advisory Pte. Ltd. which provides consultancy services to entrepreneurs to further develop their strategic and business plans. He has more than 35 years of experience working in a public accounting firm environment, serving as audit partner with KPMG LLP (“KPMG”) from 1989 to 2001, and subsequently as partner in charge of Transaction Services at KPMG until his retirement in September 2011.

Mr Chan is a Fellow Chartered Accountant of Singapore, a Fellow of the Association of Chartered Certified Accountants, a Fellow of Certified Public Accountants Australia and a Chartered Valuer & Appraiser. Mr Chan is also a Fellow of Singapore Institute of Directors.

VINCENT YEO WEE ENG, 57
Chief Executive Officer
Executive Director



Date of appointment as Director: 17 May 2006
Date of appointment as Chief Executive Officer: 19 July 2006

- Board committees:
• Board Sustainability Committees (Member)

Present directorships in other listed companies:
• CDL Investments New Zealand Limited (Non-Executive Director)

Present principal commitments:
• Nil

Past directorships in other listed companies and principal commitments held in the preceding five years:
• Nil

Mr Vincent Yeo Wee Eng is responsible for working within the H-REIT Manager Board and the HBT Trustee-Manager Board to determine the overall business, investment and operational strategies for H-REIT and HBT. He also works with other members of the H-REIT Manager’s management team and the master lessees and managers of H-REIT’s properties to ensure that the business, investment and operational strategies of H-REIT are carried out as planned. In addition, Mr Yeo is responsible for the overall management and planning of the strategic direction of H-REIT and HBT. This includes overseeing the acquisition of hospitality, hospitality-related and other accommodation and/or lodging assets and property management strategies for H-REIT, as well as the activities of HBT, which acts as master lessee of any of H-REIT’s hotel properties or when it undertakes certain hospitality, hospitality-related and other accommodation and/or lodging development projects. Mr Yeo also handles the asset management function relating to some of the hotels currently.

Mr Yeo has more than 30 years of experience in the hospitality and real estate industry. Prior to his appointment as the Chief Executive Officer of the H-REIT Manager and HBT Trustee-Manager, he was the President of Millennium & Copthorne International Limited, Asia Pacific from 2003 to July 2006, responsible for overseeing the hotel operations in Asia Pacific and the corporate office in Singapore. Prior to that, he held the position of Chief Operating Officer from 2001 to 2003. Mr Yeo served as Chief Executive Officer of City e-Solutions Limited until November 2008 and as an Executive Director until April 2009.

Between 1998 and 2000, he was an Executive Director of M&C based in London overseeing global sales and marketing. Between 1993 and 1998, he was the Executive Director and then the Managing Director of Millennium & Copthorne Hotels New Zealand Limited where he developed and integrated the largest chain of hotels in New Zealand.

Mr Yeo graduated Summa Cum Laude and the top of his faculty in 1988 from Boston University with a Bachelor of Science in Business Administration (Major in Finance).

CHEAH SUI LING, 54
Independent
Non-Executive Director



Date of appointment as Director: 18 August 2017

- Board committees:
• Board Sustainability Committees (Chairman)
• Audit and Risk Committees (Member)
• Nominating and Remuneration Committees (Member)

Present directorships in other listed companies:
• TeleChoice International Limited (Independent Non-Executive Director)

Present principal commitments:
• ecoSPIRITS Pte. Ltd. (Executive Board Chair)
• Hisential Pte. Ltd. (Non-Executive Director)

Past directorships in other listed companies and principal commitments held in the preceding five years:
• Wavemaker Partners (Operating Partner)
• Pathology Asia Holdings Pte. Ltd. (Independent Director and Chair of Audit Committee)
• Parkway Trust Management Limited, as Manager of Parkway Life REIT (Independent Non-Executive Director and Chairman of Audit and Risk Committee)

Ms Cheah Sui Ling is currently a Venture Partner at Wavemaker Partners, a venture capital firm based in Singapore. She is active in angel investing in startups and also holds positions as Investment Committee Member in Marubeni Growth Capital Fund and Select Investments Pte. Ltd.

Ms Cheah has over 20 years of international investment banking and corporate experience, having been a financial and strategic advisor to global and regional companies across multiple industries. Most of her career was spent across Singapore, Paris, Hong Kong, London and New York focusing on capital raising transactions and cross border mergers and acquisitions for corporate clients. Between 2010 to 2013 she was Co-Head of Corporate Finance for Southeast Asia at BNP Paribas. Prior to that, she was a senior coverage banker for Singapore in the investment banking division of JP Morgan. She started out her career at Merrill Lynch Investment Banking.

Ms Cheah graduated Magna Cum Laude with a Bachelor of Arts in Economics and French from Wellesley College, Massachusetts in the US.

KWEK EIK SHENG, 44
Non-Independent
Non-Executive Director



Date of appointment as Director: 20 October 2022

- Board committees:
• Nil

Present directorships in other listed companies:
• Millennium & Copthorne Hotels New Zealand Limited (Non-Executive Director)
• CDL Investments New Zealand Limited (Non-Executive Director)
• Grand Plaza Hotel Corporation (Non-Executive Chairman)

Present principal commitments:
• City Developments Limited (Group Chief Operating Officer)
• Millennium & Copthorne Hotels Limited (Executive Director)

Past directorships in other listed companies and principal commitments held in the preceding five years:
• Nil

Mr Kwek Eik Sheng is the Executive Director of Millennium & Copthorne Hotels Limited (“M&C”) since November 2019, having previously been appointed a Non-Executive Director of M&C from April 2008 to October 2019. As Executive Director, he has oversight over strategic corporate and capital planning as well as investment management, including mergers & acquisitions and asset disposals.

Mr Kwek is also currently the Group Chief Operating Officer of City Developments Limited (“CDL”). Mr Kwek joined CDL in 2009, covering Business Development for overseas projects before being appointed as Head of Corporate Development. In 2014, he assumed his role as Chief Strategy Officer and undertook an added portfolio as Head of Asset Management in April 2016.

Prior to joining CDL, he was with the Hong Leong Group of companies in Singapore, specialising in corporate finance roles from 2006 to 2008.

Mr Kwek holds a Bachelor of Engineering in Electrical and Electronics Engineering from Imperial College of Science, Technology and Medicine of University of London, UK and a Master of Philosophy in Finance from Judge Business School of University of Cambridge, UK.

BOARD OF DIRECTORS

ENG CHIN CHIN, 62
Independent
Non-Executive Director



RICHARD ANTHONY
JOHNSON, 61
Independent
Non-Executive Director



Date of appointment as Director:21 February 2025

Date of appointment as Director:23 January 2026

Board committees:

- Audit and Risk Committees (Chairman)
- Nominating and Remuneration Committees (Member)

Present directorships in other listed companies:

- Keppel Infrastructure Fund Management Pte Ltd, as trustee-manager of Keppel Infrastructure Trust (Independent Non-Executive Director)
- NTT DC REIT Manager Pte. Ltd., as manager of NTT DC REIT (Independent Non-Executive Director and Chairman of the Audit and Risk Committee)

Present principal commitments:

- Olam Agri Holdings Limited (Independent Non-Executive Director)
- Mediacorp Pte. Ltd. (Independent Non-Executive Director)
- Carbon Solutions Holdings Pte. Ltd. (Independent Non-Executive Director)
- Carbon Solutions Platform Pte. Ltd. (Independent Non-Executive Director)
- Carbon Solutions Services Pte. Ltd. (Independent Non-Executive Director)
- Carbon Solutions Investments Pte. Ltd. (Independent Non-Executive Director)

Past directorships in other listed companies and principal commitments held in the preceding five years:

- Nil

Ms Eng Chin Chin joined KPMG LLP in 1986 and was an audit partner from October 1999 until her retirement in September 2022. She specialised in asset management, financial services and real estate sectors. Ms Eng is also experienced in advisory work, particularly in relation to governance and internal control reviews and investigation work across government bodies, and private and public companies. From October 2022 to March 2023, Ms Eng was employed as a principal consultant by KPMG Services Pte Ltd.

Ms Eng holds a Bachelor of Accountancy from National University of Singapore. She is a Fellow Chartered Accountant of the Institute of Singapore Chartered Accountants.

Board committees:

- Audit and Risk Committees (Member)

Present directorships in other listed companies:

- Nil

Present principal commitments:

- Serakai Group Limited (Independent Non-Executive Director)
- CBC Group (Singapore) (Senior Real Estate Advisor)

Past directorships in other listed companies and principal commitments held in the preceding five years:

- Global Interconnection Group
- Signa Financial Services AG

Mr Richard Anthony Johnson has more than 35 years of experience in the global real estate markets. More than 30 years of this experience was in full-time roles for CBRE, JLL (Capital Markets), Standard Chartered Bank and UBS Global Asset Management from 2010 to 2020 where he was Managing Director and global head of business development for the Real Assets business.

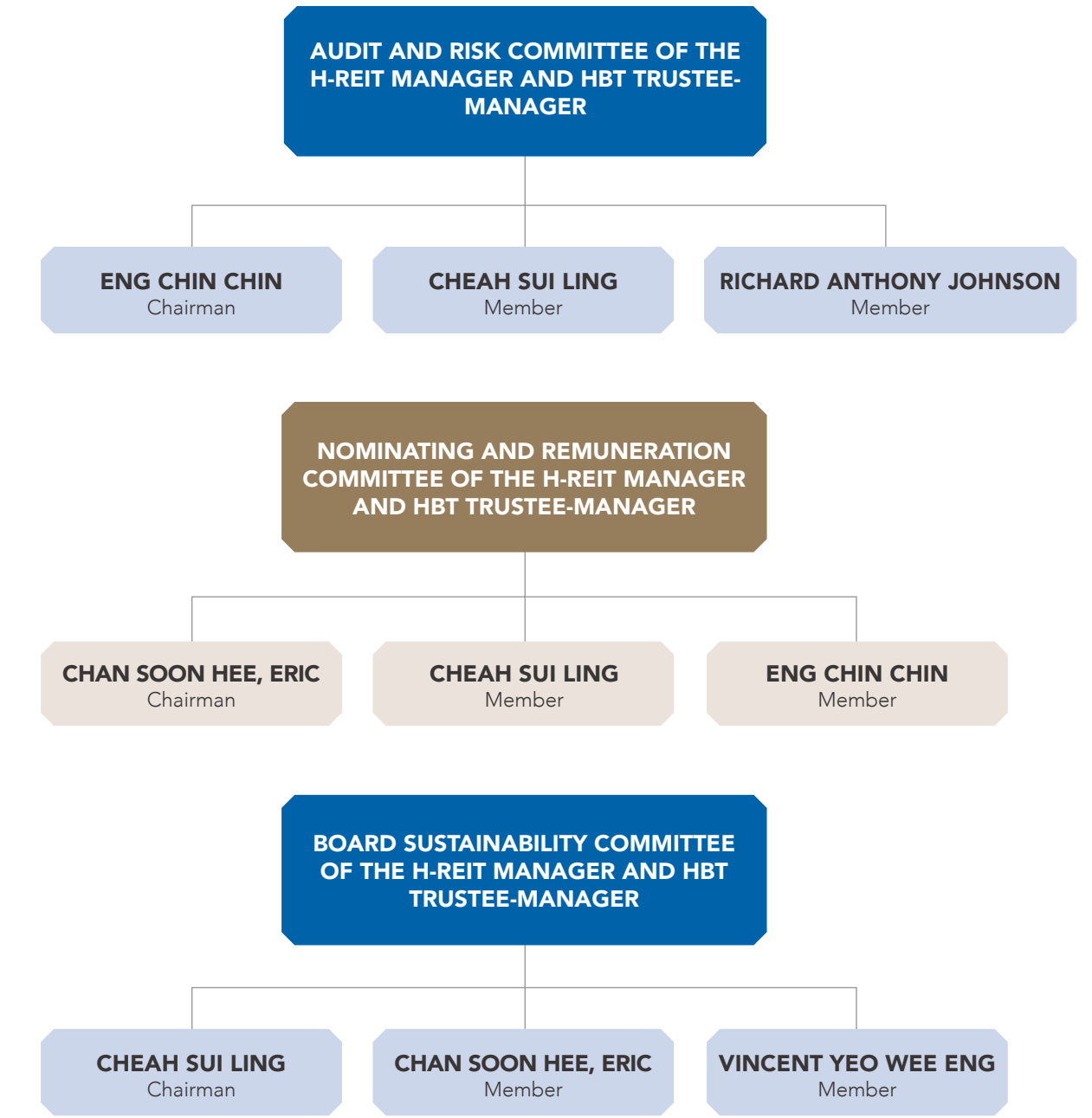
During his career he has been involved in or led multifaceted investment, development and financing transactions across most real estate asset classes in the main markets of Europe, the USA and APAC. Specifically, these have included a number of strategically important hospitality driven projects in many of the major cities in these regions.

Widely known in the real estate industry, he has been asked to present at significant real estate industry events. He has also commented from time to time on these topics for the public media.

He is regularly asked to consult on strategic initiatives for a range of growing as well as larger well-established organisations in both the real estate and related infrastructure areas, mainly in Europe and APAC.

Mr Johnson graduated with a MA Degree in Jurisprudence (Law) from Trinity College, Oxford University. He also holds a MSc Degree in Property Investment and Finance from City University, London. He has been a Chartered Member of the Royal Institution of Chartered Surveyors since 1990.

BOARD OF THE H-REIT MANAGER AND HBT TRUSTEE-MANAGER	
CHAN SOON HEE, ERIC Chairman and Independent Non-Executive Director	KWEK EIK SHENG Non-Independent Non-Executive Director
VINCENT YEO WEE ENG Chief Executive Officer and Executive Director	ENG CHIN CHIN Independent Non-Executive Director
CHEAH SUI LING Independent Non-Executive Director	RICHARD ANTHONY JOHNSON Independent Non-Executive Director



KEY MANAGEMENT TEAM

VINCENT YEO
Chief Executive Officer



Mr Yeo is also the Executive Director of the H-REIT Manager and the HBT Trustee-Manager and his profile can be found under the “Board of Directors” section on page 48 of the Annual Report.

ANNIE GAN
Chief Financial Officer



Ms Annie Gan heads the finance team and is responsible for CDLHT’s financial and capital management functions. She oversees all matters involving finance and accounting, treasury, corporate finance (including fund raising activities), taxation, compliance and fund management, ensuring the alignment with CDLHT’s long-term strategy and risk management while focusing on optimising revenue and investment returns. Ms Gan is also involved in driving some aspects of CDLHT’s environmental, social and governance (ESG) initiative.

Ms Gan brings more than 35 years of experience in the areas of financial management, strategy, treasury, mergers and acquisitions, taxation and corporate advisory as well as in-depth knowledge of the hospitality, property development and property investment industries.

Prior to CDLHT, Ms Gan was the Group Financial Controller of the then public-listed company, Orchard Parade Holdings Limited (OPHL), now known as Far East Orchard Limited, a member of Far East Organisation. She also served as a director of all the subsidiaries of OPHL, primarily responsible for the stewardship of the subsidiaries’ affairs and advising on new investment opportunities.

Ms Gan was also previously with PricewaterhouseCoopers, Singapore and Ernst and Young, Singapore in various leadership roles, leading due diligence and acquisition audits, profit forecast reviews and the statutory audits of several public-listed companies and large multinational corporations. Ms Gan is a Chartered Accountant with the ISCA and a Fellow of Certified Public Accountants Australia and holds a Bachelor of Commerce from The Australian National University.

MANDY KOO
Chief Investment Officer



Ms Mandy Koo leads the investment team in sourcing, evaluating, structuring, negotiating and executing strategic acquisitions to enhance CDLHT’s portfolio. She is also responsible for operator selection processes and divestments. Ms Koo heads asset management for the living asset class and oversaw the mobilisation of CDLHT’s new residential BTR project in the UK. She also leads equity capital raising initiatives aligned with CDLHT’s growth objectives.

In her investor relations role, Ms Koo develops communication strategies for public disclosures, fosters relationships with key media, investors, and research communities, and represents CDLHT at investor meetings, media engagements and analyst briefings to convey CDLHT’s investment and business narratives.

With more than 20 years of experience spanning real estate investments and investor relations in the REIT industry, equity corporate finance and listing regulations, Ms Koo brings deep industry expertise. She previously worked with the Standard Chartered Bank Corporate Advisory & Finance team, executing mergers and acquisitions and equity corporate finance deals in Southeast Asia. Earlier, she held investment and asset management roles at YTL Pacific Star REIT Management Limited, and investment and investor relations roles at the H-REIT Manager. Ms Koo began her career in Singapore Exchange Limited, Issuer Regulation, where she reviewed applications for initial public offerings, fundraising exercises and corporate actions of listed companies.

Ms Koo holds the Chartered Financial Analyst designation and graduated Summa Cum Laude from Singapore Management University with a Bachelor of Business Management (Major in Finance) and a Bachelor of Accountancy.

PAAVAN PATEL
Head, Asset Management (Hotels)



Mr Paavan Patel is responsible for CDLHT’s asset management function, leading the strategic oversight of the CDLHT’s portfolio of hotels and serviced residences across Asia Pacific, the UK, and Europe. His focus is on driving asset performance, identifying opportunities for value enhancement, and aligning operator strategies with ownership objectives to deliver long-term value. He also leads and manages CDLHT’s ESG programme.

Mr Patel has over 15 years of experience in luxury hospitality and real estate investment. Before joining CDLHT, he was Vice President at JLL Hotels & Hospitality Group, where he led advisory and asset management initiatives for a diverse portfolio with an aggregate asset value exceeding S\$1 billion. His work involved performance optimisation, cost efficiencies, rebranding strategies, and operator engagement across multiple jurisdictions.

He has also been involved with the asset management of portfolios under Oakwood Worldwide and Frasers Hospitality Trust, gaining exposure to a broad mix of operating models, geographies, and owner-operator dynamics.

Earlier in his career, Mr Patel held roles in hotel revenue management and operations with international hotel groups, equipping him with a comprehensive understanding of both the commercial and operational levers that drive hotel performance.

He holds a Bachelor’s degree in International Hotel Management from the International College of Hotel Management (ICHM).



PROPERTY
PORTFOLIO



SINGAPORE



Lobby

Orchard Hotel
442 Orchard Road, Singapore 238879

Offering cosmopolitan elegance in the heart of Orchard Road, Singapore’s premier retail district, and Cantonese fine dining at its award-winning Hua Ting Restaurant.



656
Guest Rooms



8,588
SQ M Land Area



S\$498.0M
Valuation as at 31 Dec 2025



Hua Ting Restaurant



Deluxe Queen Room

PROPERTY DETAILS

Number of guest rooms: 656

Number of food & beverage outlets: Four outlets comprising Hua Ting Restaurant, The Orchard Cafe, Bar Intermezzo and Poolside Snack Bar

Banquet/Conference/Meeting facilities: A 1,245 sq m pillar-free Orchard Grand Ballroom and 343 sq m of pre-function space, accommodating up to 1,500 guests theatre-style, complemented by three additional breakout function rooms

Orchard Grand Ballroom can be converted into three separate smaller ballrooms and comes equipped with two floor-to-ceiling LED walls

A Conference Centre with six multi-function rooms, equipped with state-of-the-art facilities

Other facilities: Executive club lounge, 25m outdoor pool, gym and a destination mall adjoining the hotel – Claymore Connect

Car park facilities: 452 car park lots (Car park facilities are shared with Claymore Connect)

Land area: 8,588.0 sq m (including Claymore Connect)

Gross floor area: 49,940.9 sq m (including Claymore Connect)

Title: 75-year leasehold interest commencing from 19 July 2006

Purchase price at 19 July 2006: S\$330.1 million

Valuation ⁽¹⁾ as at 31 December 2025: S\$498.0 million

MASTER LEASE DETAILS

Master lessee: City Hotels Pte. Ltd., a subsidiary of M&C

Term of lease: 20 years from 19 July 2006, expiring 18 July 2026, with an option to renew for another 20 years ⁽²⁾

Minimum rental income: S\$10.3 million comprising a fixed rent of S\$5.9 million and a service charge of S\$4.4 million per annum

FY 2025 KEY FINANCIALS

Rental income: S\$21.3 million

Net property income: S\$19.7 million

Average occupancy rate: 76.9%

(1) The property was valued by CBRE Pte. Ltd. using a combination of the Capitalisation and Discounted Cash Flow approaches.

(2) The master lessee has provided notice of its intention to exercise the renewal option and accordingly, the renewed master lease will run for a further 20 years (on the same terms and conditions save for amendments required due to change in law and excluding any further option to renew) commencing upon the expiry of the original lease term.



Situated on Singapore’s busiest shopping street Orchard Road and in proximity to the Orchard MRT Station and the UNESCO-listed Botanic Gardens, Orchard Hotel offers 656 contemporary guest rooms and suites in twin wings, Orchard Wing (325-room) and Claymore Wing (331-room).

The hotel features a host of dining venues and conference facilities. The Grand Ballroom is one of the largest pillar-free ballrooms in Singapore that can seat up to 1,500 people theatre-style. It is also equipped with two floor-to-ceiling LED walls.

SINGAPORE



Lobby

Grand Copthorne Waterfront Hotel

392 Havelock Road, Singapore 169663

One of Singapore’s leading conference hotels along the historic Singapore River, located across the Havelock MRT Station, in proximity to the Central Business District and the waterfront precincts of Robertson Quay and Clarke Quay.



573
Guest Rooms



10,860
SQ M Land Area



S\$437.0M
Valuation as at 31 Dec 2025



Grand Ballroom



Grand Deluxe King Room

PROPERTY DETAILS

Number of guest rooms: 549 rooms and 24 serviced apartment suites

Number of food & beverage outlets: Five outlets comprising Food Capital, SanSara, The Lobby Lounge, Riverside Terrace and Red House Seafood

Banquet/Conference/Meeting facilities: 33 versatile meeting rooms covering 6,200 sq m, including a six-metre high, pillar-free ballroom of 850 sq m and seating up to 600 guests banquet-style and 1,100 guests theatre-style

Other facilities: Hair, beauty and wellness services, executive club lounge and leisure facilities including a 24-hour fitness centre, padel courts, outdoor swimming pool and jacuzzi

Car park facilities: 287 car park lots ⁽¹⁾

Land area: 10,860.2 sq m (including adjoining Waterfront Plaza) ⁽²⁾

Gross floor area: 63,496.0 sq m (including adjoining Waterfront Plaza) ⁽²⁾

Title: 75-year leasehold interest commencing from 19 July 2006

Purchase price at 19 July 2006: S\$234.1 million

Valuation ⁽³⁾ as at 31 December 2025: S\$437.0 million

MASTER LEASE DETAILS

Master lessee: Republic Hotels & Resorts Limited, a subsidiary of M&C

Term of lease: 20 years from 19 July 2006, expiring 18 July 2026, with an option to renew for another 20 years ⁽⁴⁾

Minimum rental income: S\$7.2 million comprising a fixed rent of S\$3.0 million and a service charge of S\$4.2 million per annum

FY 2025 KEY FINANCIALS

Rental income: S\$20.7 million

Net property income: S\$19.1 million

Average occupancy rate: 84.3%

(1) The basement level car park facility was not acquired by H-REIT from CDL. However, the hotel enjoys a right of easement to use the basement level car park facility.
(2) H-REIT leases from CDL: (i) certain areas on the first level of Waterfront Plaza; and (ii) the second level of Waterfront Plaza, which comprises the Waterfront Conference Centre which H-REIT in turn sub-lets these areas to Republic Hotels & Resorts Limited (RHRL). Rental income received from RHRL is thereafter paid to CDL as rental expense.
(3) The property was valued by CBRE Pte. Ltd. using a combination of the Capitalisation and Discounted Cash Flow approaches.
(4) The master lessee has provided notice of its intention to exercise the renewal option and accordingly, the renewed master lease will run for a further 20 years (on the same terms and conditions save for amendments required due to change in law and excluding any further option to renew) commencing upon the expiry of the original lease term.



The 573-room premier deluxe conference hotel offers lifestyle comfort and business enabling conveniences. The hotel has a riverside location in proximity to the business district as well as being across the road from Havelock MRT station. Incorporated in the hotel are 24 serviced apartment suites with high ceilings. With one of the largest and best-designed meeting facilities in Singapore, the hotel is a choice venue for many multinational organisations. The hotel is one of the pre-eminent conference hotels in Singapore, having undertaken a complete renovation of its conference facilities and guest rooms in 2023.

SINGAPORE



M Hotel

81 Anson Road, Singapore 079908

A premier award-winning hotel strategically located in the heart of the financial district and a choice venue for discerning business travellers.



415
Guest Rooms



2,134
SQ M Land Area



S\$275.0M
Valuation as at 31 Dec 2025



PROPERTY DETAILS

Number of guest rooms: 415

Number of food & beverage outlets:

Five outlets comprising Café 2000, The Buffet Restaurant, Tea Bar, The Inn Livehouse and Hokkaido Sushi Restaurant

Banquet/Conference/Meeting facilities:

A banquet suite with a maximum capacity of 350 guests theatre-style (with stage), featuring three state-of-the-art panoramic LED video walls, intelligent lighting, and a concert-quality sound system

13 multi-function rooms equipped with complete meeting facilities

Other facilities: Executive club lounge, 32 fully furnished office suites with modern business and IT facilities at Level 8 Office Suites & Business Centre

The Waterfloor features a wellness spa, an outdoor swimming pool with jacuzzi and a 24-hour gymnasium

Car park facilities: 224 car park lots and 40 motorcycle lots

Land area: 2,133.9 sq m

Gross floor area: 32,379.3 sq m

Title: 75-year leasehold interest commencing from 19 July 2006

Purchase price at 19 July 2006:

S\$161.5 million

Valuation ⁽¹⁾ as at 31 December 2025:

S\$275.0 million

MASTER LEASE DETAILS

Master lessee: Harbour View Hotel Pte. Ltd., a subsidiary of M&C

Term of lease: 20 years from 19 July 2006, expiring 18 July 2026, with an option to renew for another 20 years ⁽²⁾

Minimum rental income: S\$6.1 million comprising a fixed rent of S\$3.9 million and a service charge of S\$2.2 million per annum

FY 2025 KEY FINANCIALS

Rental income: S\$12.9 million

Net property income: S\$11.9 million

Average occupancy rate: 86.9%

(1) The property was valued by CBRE Pte. Ltd. using a combination of the Capitalisation and Discounted Cash Flow approaches.

(2) The master lessee has provided notice of its intention to exercise the renewal option and accordingly, the renewed master lease will run for a further 20 years (on the same terms and conditions save for amendments required due to change in law and excluding any further option to renew) commencing upon the expiry of the original lease term.



M Hotel, one of Singapore's premier business hotels, is strategically located in the heart of the financial district and close to government offices, the Integrated Resorts, Sentosa, Chinatown and Marina Bay. It is also located within walking distance to the Tanjong Pagar MRT station.

The hotel has 415 rooms designed for business travellers with modern technological amenities. The hotel's prime location, as well as its variety of function areas equipped with the state-of-the-art audio and visual facilities, makes it a favoured venue for corporate meetings, social events and weddings.

SINGAPORE



Copthorne King’s Hotel

403 Havelock Road, Singapore 169632

Where business meets leisure – A business and leisure hotel that is strategically located in close proximity to the Central Business District and Orchard Road shopping belt, offering the perfect blend of comfort and connectivity.



311
Guest Rooms



5,637
SQ M Land Area



S\$138.5M
Valuation as at 31 Dec 2025



PROPERTY DETAILS

Number of guest rooms: 311

Number of food & beverage outlets:

Three outlets comprising Tien Court, Princess Terrace and Connections Lounge

Banquet/Conference/Meeting facilities:

Seven fully equipped function rooms that can be easily configured to various meeting arrangements

Other facilities:

Executive club lounge, landscaped outdoor pool and jacuzzi, mini putting green, gymnasium, sauna and steam bath

Car park facilities:

77 car park lots (including two EV charging stations)

Land area: 5,636.9 sq m

Gross floor area: 17,598.3 sq m

Title: 99-year leasehold interest commencing from 1 February 1968

Purchase price at 19 July 2006:

S\$86.1 million

Valuation ⁽¹⁾ as at 31 December 2025:

S\$138.5 million

MASTER LEASE DETAILS

Master lessee: Republic Hotels & Resorts Limited, a subsidiary of M&C

Term of lease: 20 years from 19 July 2006, expiring 18 July 2026, with an option to renew for another 20 years ⁽²⁾

Minimum rental income: S\$2.8 million comprising a fixed rent of S\$0.6 million and a service charge of S\$2.2 million per annum

FY 2025 KEY FINANCIALS

Rental income: S\$6.7 million

Net property income: S\$6.1 million

Average occupancy rate: 75.5%

(1) The property was valued by CBRE Pte. Ltd. using a combination of the Capitalisation and Discounted Cash Flow approaches.
(2) The master lessee has provided notice of its intention to exercise the renewal option and accordingly, the renewed master lease will run for a further 20 years (on the same terms and conditions save for amendments required due to change in law and excluding any further option to renew) commencing upon the expiry of the original lease term.



Copthorne King’s Hotel has 311 elegantly appointed rooms, accompanied with award-winning restaurants, fully equipped function rooms that can be configured to various meeting arrangements.

The hotel is conveniently located three minutes away from the Havelock MRT Station. It is also a five to eight minutes short walking distance to the entertainment precincts of Robertson Quay, Clarke Quay and Boat Quay while being in proximity to the Central Business District.

SINGAPORE



Cabana

Studio M Hotel

3 Nanson Road, Singapore 238910

A contemporary design-oriented hotel nestled in the heart of the Robertson Quay entertainment precinct and in proximity to the Central Business District.



360
Guest Rooms



2,932
SQ M Land Area



S\$201.0M
Valuation as at 31 Dec 2025



Premier Loft



Lobby

PROPERTY DETAILS

Number of guest rooms: 360

Number of food & beverage outlets:

Two outlets – MEMO and Breeze

Meeting facility: One meeting room

Other facilities: Recreational facilities incorporating a 25m lap pool, a jacuzzi jet pool, an open-air gymnasium and three cabanas

Car park facilities: 30 car park lots

Land area: 2,932.1 sq m

Gross floor area: 8,258.9 sq m

Title: 99-year leasehold interest commencing from 26 February 2007

Purchase price at 3 May 2011:

S\$154.0 million

Valuation ⁽¹⁾ as at 31 December 2025:

S\$201.0 million

MASTER LEASE DETAILS

Master lessee: Republic Iconic Hotel Pte. Ltd., a subsidiary of M&C

Term of lease:

20 years from 3 May 2011, expiring 2 May 2031, with:

- (i) an option to extend the lease for a first additional term of 20 years commencing immediately after the expiry of the initial term;
- (ii) an option to extend the lease for a second additional term of 20 years commencing immediately after the expiry of the first additional term; and
- (iii) an option to extend the lease for a third additional term of 10 years commencing immediately after the expiry of the second additional term.

Minimum rental income:

Fixed rent of S\$5.0 million

FY 2025 KEY FINANCIALS

Rental income: S\$7.9 million

Net property income: S\$7.4 million

Average occupancy rate: 74.8%

(1) The property was valued by CBRE Pte. Ltd. using a combination of the Capitalisation and Discounted Cash Flow approaches.



Studio M Hotel is a unique and stylised lifestyle hotel in Singapore that blends modern design with functionality. It is the first loft-inspired Singapore hotel that occupies a prime and vibrant location in the city, situated near both the Central Business District and Orchard Road. It is also within walking distance of both Havelock and Great World MRT stations. The lifestyle hotel offers a great leisure getaway or business stay in the iconic entertainment precinct of Robertson Quay.

SINGAPORE



Deluxe Room

W Singapore – Sentosa Cove

21 Ocean Way, Singapore 098374

Located in Sentosa, a vibrant island resort for business and leisure, W Singapore – Sentosa Cove is a luxury lifestyle hotel under Marriott International. The hotel is an oasis of modern luxury for chic stay-cationers, sophisticated globetrotters and trailblazing business travellers, with an expansive view of the marina and seafront.



240
Guest Rooms



17,016
SQ M Land Area



S\$354.0M
Valuation as at 31 Dec 2025



WET Pool



Lobby

PROPERTY DETAILS

Number of guest rooms: 240

Number of food & beverage outlets:

Five outlets comprising SKIRT, the kitchen table, WOOBAR, W Lounge and WET Deck

Banquet/Conference/Meeting facilities:

Eight versatile meeting spaces covering 2,588 sq m

The ballroom of 720 sq m with a capacity of up to 480 guests banquet-style and 500 guests theatre-style, features an LED screen of 14 x 5 metres that can be split into two screens

Other facilities: AWAY Spa, a luxury spa facility; FIT, a 235 sq m, state-of-the-art gym with panoramic garden views through floor-to-ceiling windows; WET Deck/ Pool, one of Singapore’s largest free-form outdoor pools, open 24-hours daily; and WIRED, a contemporary business centre as well as 10 boat berth spaces

Car park facilities: 121 car park lots ⁽¹⁾

Land area: 17,016.0 sq m

Gross floor area: 25,374.3 sq m

Title: 99-year leasehold interest commencing from 31 October 2006

Purchase price at 16 July 2020:

S\$324.0 million

Valuation ⁽²⁾ as at 31 December 2025:

S\$354.0 million

HOTEL MANAGEMENT AGREEMENT DETAILS

Operator: Starwood Asia Pacific Hotels & Resorts Pte. Ltd., a wholly owned subsidiary of Marriott International, Inc.

Term of hotel management agreement:

Approximately 20.3 years from 16 September 2012, expiring 31 December 2032, with options for CDLHT to renew for four consecutive periods of five years each

FY 2025 KEY FINANCIALS

Gross hotel revenue: S\$49.1 million

Net property income: S\$6.3 million

Average occupancy rate: 69.6%

(1) The W Singapore – Sentosa Cove property includes a basement carpark which comprises 121 carpark lots. The basement carpark is connected to the 78 carpark lots owned by neighbouring property known as Quayside Isle. Taking into account the Quayside Isle basement carpark lots, there are in total 199 lots available for public use.

(2) The property was valued by CBRE Pte. Ltd. using a combination of the Capitalisation and Discounted Cash Flow approaches.



W Singapore – Sentosa Cove is located in a luxury waterfront precinct. A vibrant resort island for business and leisure, Sentosa has over 30 themed attractions, some 200 F&B and retail outlets, a mega integrated resort, two world class golf courses, a yachting marina, and more.

A luxury lifestyle hotel with 240 guest rooms, W Singapore – Sentosa Cove has won several accolades and has an expansive view of the marina and seafront. The hotel also offers a comprehensive suite of facilities including a ballroom, function rooms, swimming pool, spa, restaurants and bars. In addition to its appeal for leisure guests, the resort is an ideal destination for corporate incentive and meeting groups. Featuring state-of-the-art meeting facilities, it offers an exceptional venue for business events, conferences and corporate retreats.

The lobby area of the hotel was augmented with a vibrant W Lounge in August 2023 incorporating a new coffee and pastry counter. The transformation of the hotel’s ballroom and meeting facilities was completed in September 2023 with the addition of an expansive 14m x 5m LED screen.

The hotel completed a comprehensive renovation of all its rooms in 2025, further reinforcing its competitive position in the luxury lifestyle segment.

SINGAPORE



Claymore Connect

442 Orchard Road, Singapore 238879

Occupying a prime spot at the junction of Claymore Road and the Orchard Road shopping and tourist belt, Claymore Connect is a family-friendly mall with a range of lifestyle and F&B retail offerings.



27

Tenants as at 31 Dec 2025



~7,187

SQ M in NLA



S\$120.0M

Valuation as at 31 Dec 2025



Facade



Entrance

PROPERTY DETAILS

Net lettable area (including Galleria):
Approximately 7,187 sq m

Car park facilities: The car park facilities are shared with Orchard Hotel

Title: 75-year leasehold interest commencing from 19 July 2006

Purchase price at 19 July 2006:
S\$34.5 million

Valuation ⁽¹⁾ as at 31 December 2025:
S\$120.0 million

PROPERTY MANAGEMENT AGREEMENT DETAILS

Operator: CBRE Pte. Ltd.

Term of property management agreement:
Three years from 1 January 2025, expiring 31 December 2027, with options to renew for further periods of one year each (subject to mutual agreement between the parties)

FY 2025 KEY FINANCIALS

Rental income: S\$8.4 million

Net property income: S\$6.5 million

Total number of tenants as at 31 December 2025: 27

Committed occupancy rate as at 31 December 2025: 97.7%

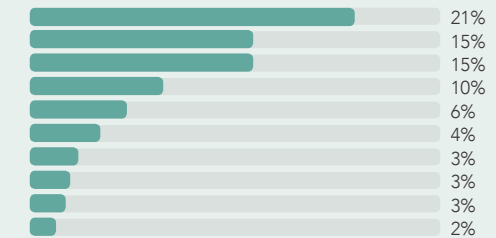
(1) The property was valued by CBRE Pte. Ltd. using a combination of the Capitalisation and Discounted Cash Flow approaches.

Claymore Connect is a family-friendly mall located within a short walking distance from Orchard MRT station. Its main entrance is along Claymore Road, with direct access to Orchard Hotel from the mall's mezzanine floor and Level 2.

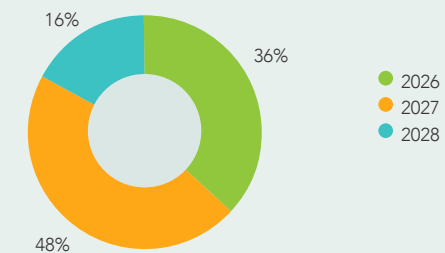
The mall caters to the captive residential population in the nearby precincts of Tanglin, Orchard and Claymore. Orchard Hotel guests also enjoy the convenience of the F&B outlets, beauty, wellness and lifestyle services at the mall.

Apart from the anchor tenant Cold Storage, Claymore Connect features tenants such as MapleBear Singapore – an early education centre, Athletic Collective – a premier sports gym offering athlete-first training by former athletes and Wonderlit Education Centre – a creative enrichment space for young children.

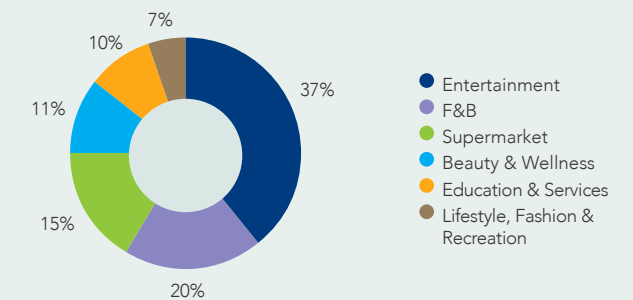
% CONTRIBUTION TO RENTAL INCOME OF TOP 10 TENANTS FOR FY 2025



LEASE EXPIRY ANALYSIS BY PASSING RENT AS AT MONTH OF EXPIRY



TENANT MIX BY RENTAL INCOME FOR FY 2025



AUSTRALIA



Lobby, Ibis Perth

Mercure & Ibis Perth

10 Irwin Street, Perth | 334 Murray Street, Perth

Strategically located in the heart of Perth, the hotels are located minutes away from the Central Business District.

MERCURE PERTH



239

Guest Rooms



757

SQ M Land Area



A\$54.0M

Valuation as at 31 Dec 2025

IBIS PERTH



192

Guest Rooms



1,480

SQ M Land Area



A\$53.0M

Valuation as at 31 Dec 2025



Superior Room, Mercure Perth



Chelsea Social, Ibis Perth

PROPERTY DETAILS

Hotel:	Mercure Perth	Ibis Perth
Number of guest rooms:	239	192
Number of food & beverage outlets:	Three outlets comprising Beccaria Bar, Beccaria Restaurant and Cucina on Hay	Newly refurbished dining area Chelsea Social, comprising two outlets, Chelsea Bar and Dining Hall
Banquet/Conference/Meeting facilities:	Dedicated conference floor on level 1 with six separate function rooms accommodating up to 350 delegates	Three function rooms for up to 200 guests
Other facilities:	Large, heated rooftop swimming pool and gym	Business centre and gym
Car park facilities:	32 car park lots	13 car park lots
Land area:	757 sq m	1,480 sq m
Gross floor area:	22,419 sq m	9,650 sq m
Title:	Strata Freehold	Freehold
Purchase price at 18 February 2010:	A\$36.2 million	A\$21.6 million
Valuation ⁽¹⁾ as at 31 December 2025:	A\$54.0 million	A\$53.0 million

HOTEL MANAGEMENT AGREEMENT DETAILS

Operator:	AAPC Properties Pty Limited
Term of hotel management agreements:	10 years from 1 May 2021, expiring 30 April 2031, with options to renew for two terms of five years each (subject to mutual agreement between the parties)

FY 2025 KEY FINANCIALS

Gross hotel revenue:	S\$13.8 million ⁽²⁾ (A\$16.4 million)	S\$10.7 million ⁽²⁾ (A\$12.6 million)
Net property income:	S\$2.9 million ⁽²⁾ (A\$3.4 million)	S\$2.8 million ⁽²⁾ (A\$3.3 million)
Average occupancy rate:	83.1%	78.8%

Mercure Perth and Ibis Perth are both strategically located in the heart of Perth city, just a short stroll from the Swan River, Hay & Murray Street Malls, Perth Mint and Supreme Court Gardens, amongst many of Perth’s attractions.

Mercure Perth features 239 well-appointed rooms, along with three F&B outlets. This hotel has copious number of meeting rooms available with modern audiovisual technology, accommodating up to 350 delegates. In 2024 and early 2025, Mercure Perth completed a soft refurbishment of 123 West Tower rooms which includes new beds, furniture, carpets, LED lighting and curtains. The upgrading of the conference furniture, new blinds and window glazing has enhanced the conference product.

Ibis Perth is located 300 metres from the prime Murray and Hay Street shopping precinct and a short walk to Raine Square, Palace Cinema Complex and Yagan Square. The hotel offers a full-service breakfast restaurant, casual bar and function rooms catering for up to 200 guests.

The hotel concluded extensive renovations in 1Q 2025, which covered the main lobby, all 192 guest rooms and a new gym. A fresh restaurant and bar concept Chelsea Social was introduced to complement the conference rooms’ rejuvenation to create a cohesive event space and street facing dining. The asset enhancement initiatives have elevated the hotel, allowing it to be repositioned as the hotel of choice in Perth’s Central Business District.

(1) This property was valued by Newmark Real Estate Singapore Pte. Ltd. using the Discounted Cash Flow approach.
(2) Based on the average exchange rate of A\$1.00 = S\$0.8430.

NEW ZEALAND



Front Desk

Grand Millennium Auckland

71-87, Mayoral Drive, Auckland 1010

Discover refined comfort at Grand Millennium Auckland, one of the largest hotels in New Zealand. Centrally located, the hotel offers spacious rooms, diverse dining options, and is the perfect base for exploring the city.



453
Guest Rooms



5,910
SQ M Land Area



NZ\$235.0M
Valuation as at 31 Dec 2025



Ballroom



Premier Deluxe Room

PROPERTY DETAILS

Number of guest rooms: 453

Number of food & beverage outlets:

Five outlets in the new Grand Dining Precinct, comprising Katsura Restaurant for Japanese cuisine, Ember for contemporary cuisine, Dans le Noir? a unique dining in the dark experience, Estelle's lounge and The Aviary lobby bar

Banquet/Conference/Meeting facilities:

15 versatile spaces boasting over 1,619 sq m to cater to both intimate gatherings and grand events, suitable for up to 1,000 delegates. Highlights include a newly renovated ballroom with a capacity of 550, ideal for galas, conferences and receptions with sophisticated style and advanced technology

Other facilities: Full serviced business centre

Car park facilities: 259 car park lots

Land area: 5,910.0 sq m

Title: Freehold

Purchase price at 19 December 2006:

NZ\$113.0 million

Valuation ⁽¹⁾ as at 31 December 2025:

NZ\$235.0 million

MASTER LEASE DETAILS

Master lessee: Hospitality Services Limited, a subsidiary of Millennium & Copthorne Hotels New Zealand Limited

Term of lease: Five years from 24 November 2025, expiring 23 November 2030, with an option to renew for another 5 years subject to mutual agreement

Minimum rental income: NZ\$2.0 million

FY 2025 KEY FINANCIALS

Rental income: S\$4.1 million ⁽²⁾
(NZ\$5.4 million)

Net property income: S\$4.1 million ⁽²⁾
(NZ\$5.4 million)

Average occupancy rate: 66.4%

(1) The property was valued by Jones Lang LaSalle Limited using a combination of the Capitalisation and Discounted Cash Flow approaches.

(2) Based on the average exchange rate of NZ\$1.00 = S\$0.7603.



The 453-room Grand Millennium Auckland is a prime 12-storey atrium-styled hotel located in New Zealand's main gateway city. The property is one of the largest hotels in the city comprising extensive conference facilities. It is situated in the heart of Auckland, only 600 metres south of the Sky City entertainment complex, and is located minutes away from all major commercial buildings and the University of Auckland.

A key highlight of the hotel's location is its proximity to Auckland's convention precinct which comprises four of Auckland's finest venues: Aotea Centre, The Civic, Auckland Town Hall and Aotea Square. The hotel is also within walking distance to the casino and the New Zealand International Convention Centre, which opened in February 2026. It is an ideal base for all travellers.

The hotel embarked on a phased, property-wide transformation beginning in second half of 2023, progressively revitalising its dining and social spaces, from the all-day dining restaurant and lobby lounge through to the ballroom, atrium bar and remaining public areas, alongside the renovation of a majority of guest rooms across two phases. The multi-year programme concluded in end 2025, delivering a comprehensively refreshed property.

MALDIVES



Kuredhi Pool

Angsana Velavaru
Velavaru Island, South Nilandhe Atoll, Republic of Maldives

Located in a picturesque lagoon in the Maldives, Angsana Velavaru offers two distinct experiences with its beachfront villas and its standalone overwater villas.



113
Villas



67,717
SQ M Land Area



US\$56.0M
Valuation as at 31 Dec 2025



Beachfront Villa



InOcean Villa

PROPERTY DETAILS

Number of villas:
79 Beachfront Villas, 34 InOcean Villas

Number of food & beverage outlets:
Four outlets comprising Kaani Restaurant, Funa Restaurant, Azzurro Restaurant and Bar, and Kuredhi Pool Bar

Other facilities:
Angsana Spa & Gallery, Swimming Pool, Marine Conservation Lab, PADI 5 Star Gold Palm Dive Centre, Watersports Centre, Kids Club, Beach Pavilion, Gym, and Medical Centre

Land area: 67,717 sq m

Title: 99-year leasehold interest commencing from 26 August 1997

Purchase price at 31 January 2013:
US\$71.0 million

Valuation ⁽¹⁾ as at 31 December 2025:
US\$56.0 million

MASTER LEASE DETAILS

Master lessee: Maldives Bay Pvt Ltd, a subsidiary of Banyan Tree Holdings Limited

Term of lease: 10 years from 1 February 2023, expiring 31 January 2033

Minimum rental income: Minimum rent of US\$6.0 million per year guaranteed by Banyan Tree Holdings Limited, subject to maximum rent reserve of US\$6.0 million during the term of the lease

FY 2025 KEY FINANCIALS

Rental income: S\$7.9 million ⁽²⁾
(US\$6.0 million)

Net property income: S\$7.5 million ⁽²⁾
(US\$5.7 million)

Average occupancy rate: 76.2%

(1) The property was valued by Newmark Real Estate Singapore Pte. Ltd. using the Discounted Cash Flow approach.
(2) Based on the average exchange rate of US\$1.00 = S\$1.3083.



The Maldives is a nation of coral islands scattered across the Indian Ocean, consisting 26 natural atolls with over 1,100 islands. The Maldives’ tropical climate, white beaches, rich marine environment, “one-island-one-resort” concept and ease of accessibility from Europe, the Middle East and Asia have firmly established the island paradise as a top-tier destination for luxury tourism.

The property is located at the southern edge of the Maldives archipelago in the South Nilandhe Atoll. It occupies the island of Velavaru, one of the more intimate lagoons in the Maldives. The Angsana Velavaru resort is a 40-minute scenic seaplane ride from Malé International Airport. It comprises 79 Beachfront Villas and 34 InOcean Villas, providing guests the opportunity to enjoy two distinct experiences at one resort.

MALDIVES



Yuzu Restaurant & Yapa Sunset Bar

The Halcyon Private Isles Maldives, Autograph Collection

Meradhoo Island, Gaafu Alifu Atoll, Republic of Maldives

Tucked away at the southern edge of the Maldives archipelago, The Halcyon Private Isles Maldives, Autograph Collection is the premier destination focusing on personalised luxury of the highest standard. Its spacious beachfront and overwater villas are among the largest in the Maldives.



38 Villas



53,576 SQ M Land Area



US\$40.0M Valuation as at 31 Dec 2025



Bell Bar



The Halcyon Grand Estate

PROPERTY DETAILS

Number of guest rooms:

21 Island Villas, 16 Overwater Villas, and one three-bedroom villa – The Halcyon Grand Estate

Number of food & beverage outlets:

Three restaurants comprising Thari, Yuzu and The Firepit and two bars comprising Bell Bar and Yapa Sunset Bar

Other facilities:

PADI 5 Star dive and water sports centre, padel court, Halcyon Spa, Faru (Kids Club), overwater fitness and yoga studio, two infinity edge pools, 24-hour butler service and resort boutique

Land area: 53,576 sq m

Title: 99 year leasehold interest commencing from 15 June 2006

Purchase price at 31 December 2013:

US\$59.6 million

Valuation ⁽¹⁾ as at 31 December 2025:

US\$40.0 million

HOTEL MANAGEMENT AGREEMENT DETAILS

Operator: Apar Hotel Management Maldives Pvt Ltd

Term of hotel management agreement: 5 years and 2 months from 1 November 2025, expiring 31 December 2030

FY 2025 KEY FINANCIALS

Gross hotel revenue: S\$9.3 million ⁽²⁾ (US\$7.1 million)

Net property income: -S\$3.6 million ⁽²⁾ (-US\$2.8 million)

Average occupancy rate: 28.4%



Overwater Villas

The Halcyon Private Isles Maldives, Autograph Collection is located at the southern edge of the Maldives archipelago in the Gaafu Alifu Atoll, occupying the exclusive Meradhoo Island and its surrounding crystal-clear lagoon. The resort boasts two healthy reefs, home to abundant exotic marine wildlife. The resort is accessible via a 90-minute direct seaplane flight from Malé or can also be reached via a domestic flight from Malé International Airport to Kaadedhdhoo Airport or Kooddoo Airport, followed by a speedboat journey. Private jets can land at Gan International Airport and connect to the resort via seaplane or speedboat.

The 38-villa luxury resort offers two distinct experiences, a private island with 22 island villas (including a one three-bedroom villa – The Halcyon Grand Estate), and an overwater enclave with 16 villas. The one to two-bedroom villas range from approximately 220 to 300 sq m, each with its own private pool. The resort's overwater villas boast high ceilings and full-length floor-to-ceiling windows that provide panoramic views of the Indian Ocean from the bedroom, bathroom and living room. The Halcyon Grand Estate features 1,250 sq m of ultra-luxury space, complete with a rooftop terrace, a 40-metre private infinity pool and direct lagoon access.



Whale Shark Encounter

(1) The property was valued by Newmark Real Estate Singapore Pte. Ltd. using the Discounted Cash Flow approach.
(2) Based on the average exchange rate of US\$1.00 = S\$1.3083.

JAPAN



Hotel MyStays Asakusabashi

Hotel MyStays Kamata

Hotel MyStays Asakusabashi & MyStays Kamata

1-5-5 Asakusabashi, Taito-Ku, Tokyo 111-0053 | 5-46-5 Kamata, Ota-Ku, Tokyo 144-0052

Located in close proximity to major transportation networks and tourist attractions, the hotels appeal to both business and leisure travellers.

ASAKUSABASHI



139

Guest Rooms



564

SQ M Land Area



¥6.65B

Valuation as at 31 Dec 2025

KAMATA



116

Guest Rooms



497

SQ M Land Area



¥3.72B

Valuation as at 31 Dec 2025



Modern Twin Room, Hotel MyStays Asakusabashi



Accessible Twin Room, Hotel MyStays Kamata

PROPERTY DETAILS

Hotel:	Hotel MyStays Asakusabashi	Hotel MyStays Kamata
Number of guest rooms:	139	116
Other facilities:	One convenience store	N.A.
Car park facilities:	Six car park lots	Six car park lots
Land area:	564 sq m	497 sq m
Title:	Freehold	Freehold
Purchase price at 19 December 2014:	¥3.20 billion	¥2.60 billion
Valuation ⁽¹⁾ as at 31 December 2025:	¥6.65 billion	¥3.72 billion

HOTEL MANAGEMENT AGREEMENT DETAILS

Operator:	MyStays Hotel Management Co., Ltd.
Term of hotel management agreements:	3-year auto-renewal basis, unless terminated with notice

FY 2025 KEY FINANCIALS

Gross hotel revenue:	S\$5.8 million ⁽²⁾ (¥672.3 million)	S\$3.8 million ⁽²⁾ (¥440.1 million)
Net property income:	S\$3.0 million ⁽²⁾ (¥345.1 million)	S\$1.8 million ⁽²⁾ (¥207.5 million)
Average occupancy rate:	92.2%	94.5%

Hotel MyStays Asakusabashi and Hotel MyStays Kamata boast exceptional connectivity to major transportation hubs and iconic Tokyo attractions.

Hotel MyStays Asakusabashi

Just a two-minute walk from JR Asakusabashi Station, Hotel MyStays Asakusabashi offers excellent connectivity, with direct access to Narita and Haneda airports via the Toei Asakusa Line. Near the historic Asakusa district, home to Sensoji Temple and traditional markets, and the dynamic Akihabara area, the hotel is an ideal base for travellers. The hotel offers a range of comfortable rooms, including the Japanese Modern Room, which features a warm, minimalist design inspired by traditional Japanese aesthetics. All rooms include complimentary Wi-Fi, air conditioning, and memory foam pillows for added comfort. Guests also benefit from a 24-hour on-site store and laundry facilities.

Hotel MyStays Kamata

A five-minute walk from JR Kamata Station and 10 minutes via Keikyu Line from Haneda Airport, Hotel MyStays Kamata offers travellers easy access to Tokyo’s key destinations such as Shinagawa and Shibuya. Located near three vibrant shopping arcades, the hotel provides access to diverse dining options and local shops, appealing to both business guests and leisure visitors. Rooms feature complimentary Wi-Fi and wide desks, with select rooms equipped with kitchenettes for extended stays. Guests can also enjoy free freshly ground coffee in the lobby. With its ideal location and thoughtful amenities, Hotel MyStays Kamata ensures a comfortable stay in Tokyo.

Both hotels offer complimentary laundry, ensuring convenience for extended stays. The hotels are well-equipped to cater to the needs of diverse travellers, offering a blend of modern amenities and easy accessibility to enhance their stay in Tokyo.

(1) The property was valued by CBRE K.K. using a combination of the Capitalisation and Discounted Cash Flow approaches.
(2) Based on the average exchange rate of S\$1.00 = ¥114.94.

UNITED KINGDOM



Executive Lounge

Hilton Cambridge City Centre

20 Downing Street, Cambridge CB2 3DT

Situated in a prime location at the heart of Cambridge city centre, the hotel is beside the main thoroughfare, within the vicinity of popular tourist attractions and the main shopping area.



198
Guest Rooms



~3,600
SQ M Land Area



£58.0M
Valuation as at 31 Dec 2025



Junior Suite



Piano Bar

PROPERTY DETAILS

Number of guest rooms: 198

Number of food & beverage outlets:

Two outlets comprising Bull & Bass Restaurant and the Piano Bar

Banquet/Conference/Meeting facilities:

501 sq m of event space comprising five function rooms and atrium public space

Other facilities:

Executive Lounge, LivingWell Fitness Gym, 24-hour In-room Dining, Concierge, and the Bar Oh concession – a private music event club & cocktail bar

Car park facilities:

58 car park lots with valet car parking

Land area: ~3,600.0 sq m

Title: 125-year leasehold interest commencing from 25 December 1990⁽¹⁾

Purchase price at 1 October 2015:

£61.5 million⁽²⁾

Valuation⁽³⁾ as at 31 December 2025:

£58.0 million

HOTEL MANAGEMENT AGREEMENT DETAILS

Operator: Hilton UK Manage Limited, an affiliate of Hilton Worldwide Inc.

Term of hotel management agreement:

Approximately 12.3 years from 1 October 2015, expiring 31 December 2027

FY 2025 KEY FINANCIALS

Gross hotel revenue: S\$20.4 million⁽⁴⁾ (£11.8 million)

Net property income: S\$6.0 million⁽⁴⁾ (£3.5 million)

Average occupancy rate: 73.6%

(1) The lease term may be extended for a further term of 50 years pursuant to lessee's (CDLHT) option to renew under the lease granted by the head lessor (Cambridge City Council).
(2) The purchase price of £61.5 million refers to the price of the property and excludes the adjustment for net working capital.
(3) The property was valued by Newmark Real Estate Singapore Pte. Ltd. using the Discounted Cash Flow approach.
(4) Based on the average exchange rate of £1.00 = S\$1.7210.



Hilton Cambridge City Centre is an upper upscale hotel with 198 rooms, and arguably the best located premium hotel in Cambridge City Centre. It boasts a prime location in the heart of the city, being 1.6 km from Cambridge railway station and is situated beside the main shopping precinct and historic attractions. It is also within the vicinity of popular tourist destinations such as King's College, Trinity College, Fitzwilliam Museum, Cambridge University Botanic Gardens, many museums and the River Cam. The Grand Arcade Shopping Centre, the city's largest shopping mall, is also adjacent to the property.

UNITED KINGDOM



Lobby

The Lowry Hotel
50 Dearmans Place, Salford, Manchester M3 5LH

The iconic 5-star hotel is located in proximity to the heart of Manchester city centre and also a short distance from Media City, a culture and innovation hub.



165
Guest Rooms



~2,200
SQ M Land Area



£46.0M
Valuation as at 31 Dec 2025



Junior Suite



Lowry Lounge & Bar

PROPERTY DETAILS

- Number of guest rooms:** 165
- Number of food & beverage outlets:** Two outlets comprising The River Restaurant and The Lowry Lounge and Bar
- Banquet/Conference/Meeting facilities:** Eight purpose-built meeting rooms for weddings, private events or business conferences and a Grand Ballroom to entertain up to 300 people
- Other facilities:** Hair salon and Wellness Sanctuary comprising a gym, six treatment rooms, a yoga studio, aesthetics clinic, colonic hydrotherapy clinic, floatation tank and Somadome meditation pod
- Car park facilities:** 88 car park lots (electronic vehicle charging available)
Coach parking (up to 6 coaches)
- Land area:** ~2,200.0 sq m
- Title:** 150-year leasehold interest commencing 18 March 1997

Purchase price at 4 May 2017:
£52.5 million ⁽¹⁾

Valuation ⁽²⁾ as at 31 December 2025:
£46.0 million

Operational Arrangement: Owner-operated

FY 2025 KEY FINANCIALS

Gross hotel revenue: S\$23.1 million ⁽³⁾
(£13.4 million)

Net property income: S\$3.4 million ⁽³⁾
(£1.9 million)

Average occupancy rate: 77.5%

(1) The purchase price of £52.5 million refers to the price of the property and excludes the adjustment for net working capital.
(2) The property was valued by Newmark Real Estate Singapore Pte. Ltd. using the Discounted Cash Flow approach.
(3) Based on the average exchange rate of £1.00 = S\$1.7210.



Nestled along the banks of the River Irwell, The Lowry Hotel is an iconic five-star luxury destination, renowned for its elegance and exceptional hospitality. The lifestyle hotel features 165 rooms with floor-to-ceiling windows that offer stunning city or river views. Among its accommodations are 12 suites, including the prestigious Presidential Suite, which boasts a grand piano, a walk-in dressing room, and a freestanding bath, ensuring an unmatched level of luxury for the most discerning guests.

The hotel boasts a prime central location in Manchester city centre, providing excellent transport links. It is steps away from popular attractions like the AO Arena, Spinningfields (Manchester's financial and dining quarter), and the bustling Arndale Shopping Centre. Cultural and entertainment venues such as the Royal Exchange Theatre and Manchester Opera House are within walking distance, making it a perfect choice for both leisure and business travellers seeking convenience and entertainment.

The Lowry Hotel is also well-known throughout the UK and since its opening in 2001, the hotel has hosted many internationally renowned music and entertainment artists, prominent foreign dignitaries, sports stars as well as prestigious football teams.

UNITED KINGDOM



voco Manchester – City Centre

57 & 59 Portland Street, Manchester M1 3HP

A 4-star upscale lifestyle hotel at the heart of Manchester city centre, providing guests convenient access to shopping, nightlife, attractions, and Manchester’s commercial and business hubs.



189
Guest Rooms



~1,438
SQ M Land Area



£27.0M
Valuation as at 31 Dec 2025



The Snug



The Cheever Suite

PROPERTY DETAILS

Number of guest rooms: 189

Number of food & beverage outlets:

Two outlets comprising Runyon’s Bar & Restaurant and Salvation Bar

Banquet/Conference/Meeting facilities:

Three meeting rooms (which can be combined and accommodate up to 180 people theatre-style)

Other facilities: Casino with restaurant and bar

Land area: ~1,438 sq m

Title: ~197-year leasehold interest commencing 7 May 2021 and expiring on 26 June 2218

Purchase price at 22 February 2022:

£22.8 million ⁽¹⁾

Valuation ⁽²⁾ as at 31 December 2025:

£27.0 million

OCCUPATIONAL LEASE DETAILS

Occupational lessee: HLD (Manchester) Limited

Term of lease: 60 years commencing from 7 May 2021 ⁽³⁾

Minimum rental income:

Fixed rent of £2.74 million ⁽⁴⁾

FY 2025 KEY FINANCIALS

Rental income: S\$4.7 million ⁽⁵⁾

(£2.7 million)

Net property income: S\$4.7 million ⁽⁵⁾

(£2.7 million)

Average occupancy rate: 83.9%



voco Manchester – City Centre is a four-star upscale lifestyle hotel located at the heart of Manchester city centre offering 189 guest rooms. The hotel appeals to both corporate and leisure guests being within walking distance to the central business district (Spinningfields), as well as popular tourist attractions such as the Manchester Art Gallery, retail areas such as Market Street and Manchester Arndale, as well as entertainment hubs such as the AO Arena and Co-op Live Arena. It is within a two-minute walk to Oxford Road train station and eight-minute walk to Manchester Piccadilly, Manchester’s main train station, and approximately 13.4 kilometres (20-minute drive) from the Manchester Airport.

(1) The purchase price of £22.8 million refers to the price of the property and excludes the adjustment for net working capital.
(2) The property was valued by Newmark Real Estate Singapore Pte. Ltd. using the Discounted Cash Flow approach.
(3) The occupational lease has a term commencing on 7 May 2021 and expiring on 6 May 2081 with a break option exercisable by the occupational lessee on 15 January 2045 and then on every fifth anniversary from that date, by providing at least six months’ prior notice to CDLHT.
(4) Pursuant to the occupational lease, the fixed rent applicable for 7 May 2025 to 6 May 2026 is £2.74 million. The fixed rent is subject to an annual upward-only rent review broadly based on inflation.
(5) Based on the average exchange rate of £1.00 = S\$1.7210.

UNITED KINGDOM



Becketts

Hotel Indigo Exeter

3 Catherine Street, Exeter EX1 1EU & Units 1 - 4 Colson’s Parade, High Street, Exeter EX4 3LN

Situated in the heart of Exeter, at the doorstep of the main retail high street, this 104-key upscale lifestyle boutique hotel is close to the commercial district, major transport nodes and iconic local attractions.



104
Guest Rooms



~1,250
SQ M Land Area



£19.5M
Valuation as at 31 Dec 2025



Premium King Room



Dottie's Restaurant & Bar

PROPERTY DETAILS

Number of guest rooms: 104

Number of food & beverage outlets:

Three outlets comprising Dottie’s Restaurant & Bar, Dottie’s Lounge and Becketts (rooftop bar)

Meeting facilities:

One meeting room (accommodates up to 12 people) and one event space (accommodates up to 70 people)

Other facilities:

Fitness suite, and luxury spa featuring two Hydropool hot tubs, sauna and steam room

Two retail units

Land area: ~1,250 sq m

Title: Freehold

Purchase price at 6 November 2024: £19.4 million ⁽¹⁾

Valuation ⁽²⁾ as at 31 December 2025: £19.5 million

HOTEL MANAGEMENT AGREEMENT DETAILS

Operator: Michels & Taylor (London) Limited

Term of hotel management agreement:

Approximately 10.2 years from 6 November 2024, expiring 31 December 2034

FY 2025 KEY FINANCIALS

Gross hotel revenue: S\$9.4 million ⁽³⁾ (£5.5 million)

Net property income: S\$1.5 million ⁽³⁾ (£0.9 million)

Average occupancy rate: 84.5%

(1) The purchase price of £19.4 million refers to the price of the property and two retail units and excludes net working capital and post completion adjustments.
(2) The property was valued by Newmark Real Estate Singapore Pte. Ltd. using the Discounted Cash Flow method for the hotel component and Capitalisation method for the retail component.
(3) Based on average exchange rate of £1.00 = S\$1.7210.



The freehold property consists of an upscale lifestyle boutique hotel, Hotel Indigo Exeter, with 104 rooms and two tenanted retail units. The hotel underwent an extensive conversion from a House of Fraser department store and fully opened in October 2023, showcasing modern and contemporary design elements with high-quality finishes. It features three F&B outlets (a restaurant and bar, a lobby lounge and rooftop bar), a luxurious spa and sauna, as well as a gym, meeting room and event space. The two retail units are currently tenanted out and the existing leases will continue until 2033 on a fixed rent basis with tenant break options in June 2028 and March 2029 respectively.

Becketts, Exeter’s most exclusive rooftop destination, provides a refined setting away from the city’s lively streets. This intimate venue offers a relaxing atmosphere, complemented by panoramic views of the city, with a viewing platform overlooking the Cathedral.

Operating under the “Hotel Indigo” brand, which is part of the InterContinental Hotels Group, the hotel offers a unique experience combining local heritage with modern design, a reflection of the neighbourhood it calls home. From thoughtfully designed public spaces to stunning guest rooms, each moment offers a deeper connection to Exeter’s rich history and vibrant culture.

Nestled in the heart of Exeter, the hotel is on the doorstep of the main retail high street and the Princesshay Shopping Centre, the city’s premier shopping destination. The property is also close to the commercial district, major transport nodes and iconic attractions. The nearby University of Exeter will attract leisure travellers from visiting parents and guests during graduation months.

UNITED KINGDOM



Rooftop Terrace

The Castings (Residential BTR)

9 Heyrod Street, Manchester M1 2DY

A freehold 352-unit residential Build-To-Rent property located in Piccadilly East, situated close to the Manchester Piccadilly train station.



352
Apartments



~28,577
SQ M Gross Internal Area



£97.7M
Valuation as at 31 Dec 2025



Bedroom



Living Room

PROPERTY DETAILS

Number of apartments: 352

Amenity spaces: Internal and external common amenity spaces which includes a gym, fitness studio, cinema room, resident lounge, games room, co-working and meeting spaces, a private dining room with kitchen and roof terrace

Other facilities:

352 bicycle parking spaces
Four ground floor commercial retail spaces (~398 sq m)

Car park facilities: 20 car park lots

Gross internal area: ~28,577 sq m

Title: Freehold

Total Development Costs: £82.0 million

Valuation ⁽¹⁾ as at 31 December 2025: £97.7 million

Opening Date: 16 July 2024

PROPERTY MANAGEMENT AGREEMENT DETAILS

Operator: Native Residential Limited

Term of property management agreement: 5 years from 4 June 2024, expiring 3 June 2029

FY 2025 KEY FINANCIALS

Rental income: S\$8.5 million ⁽²⁾ (£5.0 million)

Net property income: S\$4.7 million ⁽²⁾ (£2.7 million)

Physical occupancy rate as at 31 December 2025: 90.3%

(1) The valuation of this investment property was carried out by CBRE Limited using the Capitalisation method.
(2) Based on average exchange rate of £1.00 = S\$1.7210.



The Castings is a residential development comprising 352 apartment units, including a mix of studios, one-, two- and three-bedroom units, with a total residential net internal area of 20,370 sq m.

The property is located in Piccadilly East, a rapidly emerging mixed-use neighbourhood focused on providing a high quality public realm, vibrant ground floor activity and some of the best connectivity, working and living environments in the city. In addition, The Castings is minutes from the highly popular districts of Ancoats, The Northern Quarter and New Islington.

The Castings is located within two kilometres from the Manchester's central business district and boasts convenient accessibility, being within a nine-minute walk to Manchester Piccadilly Station, which is the main train station in Manchester that has direct access to the airport and links Manchester to London and other major cities across the UK. The Manchester Piccadilly Station is served by the local Manchester Metrolink and bus lines, offering ease of travel to Spinningfields (a six-minute tram ride), the biggest commercial district in the city, Manchester Arndale shopping centre (a five-minute tram ride) and the Old Trafford football stadium (a 25-minute tram ride). In addition, The Castings is a 20-minute walk from The University of Manchester, which is a leading Russell Group university.

The property was recognised at *The Brit List Awards 2024*, where Ten, the interior designer of its amenity spaces, won the Public Area of the Year award for The Castings. The project was praised for its thoughtfully designed multi-purpose spaces, featuring exceptional use of materials and colours. This award highlights The Castings' outstanding amenities, which seamlessly blend high-quality design with functionality, setting it apart from the competition.

UNITED KINGDOM



Classic Studio

Benson Yard (PBSA)

18 Benson Street, Liverpool L1 2ST

A freehold 404-bed purpose-built student accommodation (PBSA) in the heart of Liverpool city centre, offering market-leading amenities and convenient access to universities, transport hubs and key city attractions.



404
Beds



~11,553
SQ M Gross Internal Area



£40.6M
Valuation as at 31 Dec 2025



Private Dining



Shared Kitchen

PROPERTY DETAILS
Number of beds: 404

Amenity spaces: Market-leading amenity provision of 1,092 sq m, including multiple gaming, lounging, private and social study areas, gym, multi-purpose room that serves as both a yoga/ dance studio and cinema, sheltered and spacious outdoor courtyard area, sky lounge with city view and private dining area

Gross internal area: ~11,553 sq m

Title: Freehold

Purchase price at 19 December 2024: £37.3 million ⁽¹⁾

Valuation ⁽²⁾ as at 31 December 2025: £40.6 million

PROPERTY MANAGEMENT AGREEMENT DETAILS
Operator: Fresh Property Group Limited

Term of property management agreement: 5 years from 15 February 2023, expiring 14 February 2028

FY 2025 KEY FINANCIALS

Rental income: S\$6.2 million ⁽³⁾ (£3.6 million)

Net property income: S\$3.5 million ⁽³⁾ (£2.1 million)

Average occupancy rate for FY 2025: 90.4% ⁽⁴⁾

Committed occupancy rate for AY 2025/2026 as at 12 January 2026: 94.1% ⁽⁵⁾

(1) The purchase price of £37.3 million refers to the price of the property and excludes adjustment for net working capital.
(2) The property was valued by CBRE Limited using the Capitalisation method.
(3) Based on average exchange rate of £1.00 = S\$1.7210.
(4) Average occupancy is computed over the full 2025 calendar year and includes the summer period (July – August), during which a portion of students vacate the building, resulting in a seasonal dip in occupancy.
(5) Committed occupancy reflects occupancy for the academic year which runs from September 2025 to August 2026, with most tenancies spanning 44 or 51 weeks.



Benson Yard is a 404-bed PBSA comprising a mix of ensembles and studio units. Opened in February 2023, the property houses top-notch amenities and offers market leading amenity provision.

The property enjoys a prime central location in Liverpool city centre and is within a 11- and 7-minute walk to the two main universities in Liverpool – University of Liverpool and Liverpool John Moores University, respectively. It is also near the city's main rail terminals, Liverpool Lime Street and Liverpool Central. Additionally, Benson Yard is just a four-minute walk from Bold Street, known for its eclectic mix of independent shops, restaurants, cafes and boutiques, and a 10-minute walk from Liverpool ONE, the city's premier retail destination. For football enthusiasts, Anfield Stadium, home of the Liverpool Football Club, is a 30-minute bus ride away.

With its excellent connectivity, proximity to key amenities and generous shared spaces, Benson Yard offers students the perfect blend of convenience, comfort, and community. Just minutes from Liverpool's top universities, major transport links, and the city's best shopping, dining and entertainment options, it provides a vibrant and well-connected living experience in the heart of the city.

Benson Yard's quality and resident appeal have also been recognised through industry awards. The property was named Best Property in Liverpool at the StudentCrowd Student Voice Awards 2025, based on verified student reviews, and also won Best Student Accommodation Development at the YM Liverpool Property & Business Awards 2025. These accolades underscore the asset's strong market positioning and reflect the effectiveness of its design, operations and resident engagement approach.

GERMANY



Lobby

Pullman Hotel Munich

Theodor-Dombart-Strasse 4, 80805 Munich, Germany

Strategically located adjacent to a commercial district which is home to a variety of national and international companies, the hotel also boasts convenient accessibility and is in proximity to many of Munich’s popular tourist destinations.



337
Guest Rooms



~8,189
SQ M Land Area



€95.5M
Valuation as at 31 Dec 2025



Terrace



Executive Room

PROPERTY DETAILS

Number of guest rooms: 337

Number of food & beverage outlets:

Three outlets comprising Theo’s Restaurant, Theo’s Bar, and Theo’s Castaway Beach

Banquet/Conference/Meeting facilities:

Two conference rooms for up to 60 people theatre style

Other facilities: 400 sq m of fitness and spa area including two saunas and a steam room

Marketplace, a 24/7 self-service grab-and-go shop located in the lobby

Commercial components of the property: Four retail and seven office tenants (committed occupancy rate as at 31 December 2025: 89.6%)

Car park facilities: 196 car park lots specifically for the hotel (Car park facilities are shared with the commercial components of the property)

Land area: ~8,189 sq m

Title: Freehold

Purchase price at 14 July 2017: €98.9 million ⁽¹⁾⁽²⁾

Valuation ⁽³⁾ as at 31 December 2025: €95.5 million

MASTER LEASE DETAILS

Master lessee: UP Hotel Operations GmbH & Co. KG (a wholly-owned subsidiary of EVENT Hotels)

Term of lease: 20 years from 14 July 2017, expiring 13 July 2037

Minimum rental income: €3.6 million ⁽⁴⁾

FY 2025 KEY FINANCIALS

Rental income: S\$9.4 million ⁽⁵⁾ (€6.4 million)

Net property income: S\$7.3 million ⁽⁵⁾ (€5.0 million)

Average occupancy rate: 73.0%

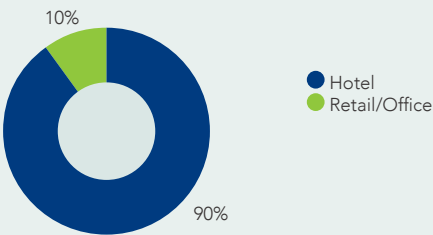
- (1) The original purchase price of €98.9 million is based on H-REIT’s effective 94.5% interest in Pullman Hotel Munich. This excludes the adjustment for net working capital. On the basis of 100% interest, the purchase price is €104.7 million.
- (2) On 14 January 2022, NKS Hospitality I B.V. (NKS), an indirectly-owned subsidiary of H-REIT, entered into an asset purchase agreement with Provent Immobilien Beteiligungs GmbH (Provent) for the purchase from Provent of the remaining 0.49% co-ownership share of the Pullman Hotel Munich for a net purchase consideration of €0.4 million. The acquisition of Provent’s co-ownership share was completed on 4 March 2022, following which H-REIT owns an effective 94.9% interest in the Pullman Hotel Munich.
- (3) The property was valued by CBRE GmbH using the Discounted Cash Flow approach. Based on 100% interest before adjustment of non-controlling interests.
- (4) Under FRS 116/SFRS(I) 16 Leases, the rental income will be accounted for on a straight-line basis over the remaining lease tenure at €3.1 million p.a.
- (5) Based on the average exchange rate of €1.00 = S\$1.4718.



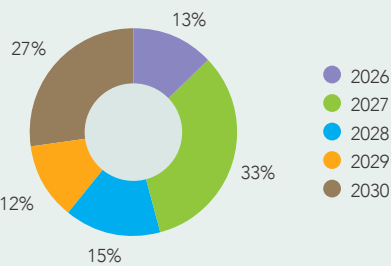
Pullman Hotel Munich is an upscale hotel with 337 rooms and a comprehensive suite of facilities, as well as secondary spaces currently let out to retail and office tenants.

The hotel is strategically located adjacent to the commercial district of “Parkstadt Schwabing”, which is home to a variety of national and international companies. It boasts convenient accessibility, with an underground subway access located next to the hotel, motorways connecting Munich to Berlin and Frankfurt within a two-minute drive, and the Munich railway station and Munich International Airport being easily accessible via car. Travellers also have direct access to Munich International Airport via the Lufthansa Express Bus service, which stops opposite the hotel and runs at regular intervals, offering significant cost savings and ease of travel to the airport. The hotel is also in proximity to many of Munich’s popular tourist destinations including the English Garden, the BMW headquarters, the Olympic Park and the Allianz Arena, home of FC Bayern Munich.

PULLMAN HOTEL MUNICH FY 2025 GROSS REVENUE SPLIT



LEASE EXPIRY ANALYSIS BY PASSING RENTAL AS AT MONTH OF EXPIRY



ITALY



Junior Suite

Hotel Cerretani Firenze – MGallery

Via De’ Cerretani 68, 50123 Florence, Italy

4-star hotel boasting an exceptional location in the heart of Florence’s historic city centre, with world-famous tourist attractions, good connectivity and transportation within walking distance.



86
Guest Rooms



~1,350
SQ M Land Area



€45.9M
Valuation as at 31 Dec 2025



Lobby



Bar

PROPERTY DETAILS

Number of guest rooms: 86

Number of food & beverage outlets:

Two outlets comprising “Il Patio” Restaurant and “Il Michelangelo” Bar

Other facilities: Mini gym

Land area: ~1,350 sq m

Title: Freehold

Purchase price at 27 November 2018:

€40.6 million ⁽¹⁾

Valuation ⁽²⁾ as at 31 December 2025:

€45.9 million

MASTER LEASE DETAILS

Master lessee: FC Operations Hotel SRL, affiliated to EVENT Hotels

Term of lease: 20 years commencing from 27 November 2018, expiring 26 November 2038

Minimum rental income: €1.3 million ⁽³⁾

FY 2025 KEY FINANCIALS

Rental income: S\$3.6 million ⁽⁴⁾
(€2.4 million)

Net property income: S\$3.3 million ⁽⁴⁾
(€2.2 million)

Average occupancy rate: 68.1%



Hotel Cerretani Firenze – MGallery is a 4-star hotel with 86 rooms. The hotel is located in an exceptional location in the heart of Florence’s historic city, within walking distance to famous tourist attractions including the Cathedral of Santa Maria del Fiore (Il Duomo), Basilica of Santa Croce, Piazza della Signoria and Ponte Vecchio. Museums in the vicinity such as the Uffizi Gallery and the Accademia Gallery house some of the most important works of the Renaissance, such as those by Leonardo da Vinci, Botticelli and Michelangelo.

The main train station “Santa Maria Novella”, is only an eight-minute walk from the hotel while Florence International Airport is also easily accessible via a relatively short 15 to 25-minute drive or 20 minutes by tram.

(1) The purchase price of €40.6 million is based on H-REIT’s effective 95.0% interest in Hotel Cerretani Firenze and the furniture, fixture and equipment. This excludes the adjustment for net working capital. On the basis of 100% interest, the purchase price is €42.7 million.
(2) The property was valued by CBRE Valuation S.p.A. using the Discounted Cash Flow approach. Based on 100% interest before adjustment of non-controlling interests.
(3) Under FRS 116/SFRS(I) 16 Leases, the rental income will be accounted for on a straight-line basis over the remaining lease tenure at €1.1 million p.a.
(4) Based on the average exchange rate of €1.00 = S\$1.4718.

SUSTAINABILITY REPORT



The first CDLHT Singapore on-site solar project at W Singapore - Sentosa Cove

SUSTAINABILITY REPORT



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BOARD STATEMENT

Dear Stakeholders,

The Boards of Directors (“**Boards**”) are pleased to present CDL Hospitality Trusts’ (“**CDLHT**”) Sustainability Report (“**Report**”) for the financial year ended 31 December 2025 (“**FY 2025**”). This Report highlights CDLHT’s vision, strategies, and progress in critical areas such as climate action, resource efficiency, and human capital development. It also provides an update on our performance against set targets, underscoring our commitment to transparency and continuous improvement in sustainability practices. The Boards firmly believe that sustainability is integral to CDLHT’s business and long-term value creation. The Board Sustainability Committees (“**BSCs**”) oversee sustainability initiatives, ensure adherence to environmental, social, and governance standards, and embed sustainable practices into CDLHT’s long-term strategies.

As one of Asia’s leading hospitality trusts, with approximately S\$3.5 billion in assets under management as at 31 December 2025, we recognise that sustainability is fundamental to long-term business resilience and global environmental stewardship. Our sustainability strategy is closely aligned with evolving regulatory requirements and international standards, including the Singapore Exchange (“**SGX**”) sustainability reporting guidelines. By proactively integrating Environment, Social and Governance (“**ESG**”) considerations into our operations, we uphold compliance while maintaining strong corporate governance, integrity, and responsible business practices. In 2025, we were honoured to be recognised as joint winner of the prestigious Shareholder Communications Excellence Award (REITs & Business Trusts Category) at the Securities Investors Association (Singapore) Investors’ Choice Awards 2025 for the second consecutive year. CDLHT was also ranked 10th in the Singapore Governance and Transparency Index (“**SGTI**”) – REIT and Business Trust Category.

Despite an increasingly complex and dynamic operating landscape, CDLHT remains steadfast in advancing our sustainability agenda. We continuously evaluate our performance against internationally recognised frameworks to ensure we meet and exceed expectations set by regulators and stakeholders.

In line with our preparation for the International Sustainability Standards Board (“**ISSB**”) IFRS S1 and S2 standards, we undertook an assessment of both physical and transition climate-related risks & opportunities to determine the most relevant areas of exposure for CDLHT. Building on this assessment, we then quantified the key physical & transition risks identified as most material, enabling a deeper understanding of CDLHT’s potential financial exposure under different future climate pathways which will be quantified in the subsequent year.

Beyond environmental efforts, we place strong emphasis on the health, safety, and well-being of all stakeholders while driving positive societal impact. Both the Managers and our properties actively engage with local charitable and social organisations, reflecting responsible corporate citizenship and reinforcing our commitment to community involvement.

In FY 2025, we strengthened our materiality approach by incorporating a financial perspective through a double materiality assessment. This process led to the inclusion of two new topics-Quality and Sustainable Products and Services, and Supply Chain Management into our materiality matrix. Our sustainability initiatives continue to align with the United Nations Sustainable Development Goals (“**UN SDGs**”), underscoring our commitment to contributing to broader global sustainability outcomes.

Looking forward, CDLHT is committed to advancing our sustainability initiatives in line with global best practices and regulatory requirements. We will continue to refine our strategies to strengthen environmental, economic, and social contributions, ensuring long-term value creation for our stakeholders.

Board of Directors
REIT Manager Board
Trustee-Manager Board

SUSTAINABILITY REPORT

ABOUT THIS REPORT

CDLHT presents its ninth Sustainability Report for FY 2025, designed to be read alongside the CDLHT Annual Report, with cross-references to relevant sections.

For FY 2025, CDLHT continued its internal review of sustainability processes as part of a multi-year audit cycle, with support from an external ESG consultant. External assurance was conducted on our Singapore portfolio's Greenhouse Gas ("GHG") Scope 1 and 2 emissions; for further details, please refer to the Climate Action and Energy Management section.

Listed on the Singapore Exchange Securities Trading Limited since 2006, CDLHT comprises CDL Hospitality Real Estate Investment Trust ("H-REIT") and CDL Hospitality Business Trust ("HBT"). H-REIT's principal investment strategy focuses on investing in a diversified portfolio of income-producing real estate, which is or will be primarily used for hospitality, hospitality-related, and other accommodation and/or lodging purposes globally. HBT's principal investment strategy is to invest in a portfolio of real estate or development projects, which is or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes globally and may also include the operation and management of real estate assets held by H-REIT and HBT.

M&C REIT Management Limited serves as the manager of H-REIT (the "H-REIT Manager"), while M&C Business Trust Management Limited is the trustee-manager of HBT (the "HBT Trustee-Manager", and collectively the "Managers". For more details on CDLHT's business, please refer to page 2 of the Annual Report.

Reporting Period and Scope

CDLHT's portfolio comprises 22 properties across multiple geographies. The FY 2025 reporting scope covers 19 properties for the ESG indicators (other than GHG emissions and social indicators).

In accordance with GHG Protocol's Scope 1, 2 and 3 GHG emissions, as well as all social indicators, only the Managers' Office and The Lowry Hotel, where we have direct operational control, are included within the reporting scope.

For 18 of the properties, where CDLHT does not have direct operational control, GHG emissions are reported under Scope 3 Category 13 (Downstream Leased Assets). Social indicators for these properties are excluded from the reporting scope due to the absence of direct operational oversight. ⁽¹⁾

Portfolio Properties	Location
Orchard Hotel (including Claymore Connect)	Singapore
Grand Copthorne Waterfront Hotel	
M Hotel	
Copthorne King's Hotel	
Studio M Hotel	
W Singapore - Sentosa Cove	New Zealand
Grand Millennium Auckland	
Mercure Perth	Australia
Ibis Perth	
The Halcyon Private Isles Maldives ("The Halcyon") ⁽²⁾	Maldives
Angsana Velavaru	
Hotel MyStays Asakusabashi	Japan
Hotel MyStays Kamata	
Benson Yard	United Kingdom
The Lowry Hotel	
Hilton Cambridge City Centre	
Hotel Indigo Exeter	
The Castings	
voco Manchester	Germany
Pullman Hotel Munich	
Hotel Cerretani Firenze - MGallery	Italy

Reporting Standards And Guidelines

This Report complies with the SGX Listing Rules 711A and 711B and has been prepared with reference to the Global Reporting Initiative ("GRI") Sustainability Reporting Standards. We adopt the GRI Standards because they offer internationally recognised, comprehensive guidance for managing, measuring, and setting targets for our material ESG topics. We continue to reference the Sustainability Accounting Standards Board ("SASB") standards to enhance the relevance of our disclosures for investors and stakeholders

Our climate disclosures remain aligned with the Task Force on Climate-related Financial Disclosures ("TCFD") framework. This report describes CDLHT's approach to further managing climate-related risks and opportunities, sets out our key metrics and targets, and highlights our progress in conducting climate scenario analysis, as well as our broader preparations for compliance with the ISSB's IFRS S1⁽³⁾ and S2⁽⁴⁾ standards.

These disclosures have also been prepared in accordance with the Guidelines on Environmental Risk Management for Asset Managers issued by the Monetary Authority of Singapore ("MAS").

The Content Index can be found on page 98 of this Report.

Below is a table outlining a high-level summary of CDLHT's short-term, medium-term, and long-term sustainability targets.

Time Horizon	Description of Target
Short-term: Year 2026	5% - 7% reduction in energy and 2% - 7% reduction in water consumption, with FY 2019 as the comparative baseline.
Medium-term: Year 2035	Reduce portfolio's CO2 emissions by 20% or more by 2035 with FY 2025 as the comparative baseline.
Long-term: Year 2050	Decarbonisation aligned with Science Based Targets initiative ("SBTi") to achieve Net Zero by 2050.

Accessibility and Feedback

We have made this Sustainability Report available online on our corporate website at www.cdlht.com. In line with our environmental objective to conserve resources and minimise environmental impact, CDLHT will print only a limited number of the Annual Report (which includes the Sustainability Report).

As we aim to continue progressing in our sustainability journey, we welcome any feedback or comments on our Sustainability Report. Please contact Mr Dominic Chen, Senior Manager, Asset Management at DominicChen@cdlht.com.

OUR SUSTAINABILITY APPROACH

Aligned with our sustainability vision and mission, CDLHT's Sustainability Framework is built around four core pillars. These pillars reflect the priorities of our stakeholders' priorities, guide our sustainability policies and initiatives, and help us drive meaningful impact across our material ESG factors.



The four core pillars are represented by 13 material ESG factors, with each comprising a set of actions and initiatives and, where relevant, annual performance targets. The Managers regularly review and validate these material ESG factors through the sustainability governance structure and stakeholder engagement processes, ensuring that CDLHT maintains a strong and comprehensive sustainability framework to achieve the goals. The following sections in this Report explain each of these items in depth.

Delivering Value and Best Practices

As part of a broader commitment to responsible investing and long-term value creation for stakeholders, CDLHT promotes ESG best practices across the portfolio through a diverse set of initiatives. By actively managing our assets

and integrating ESG measures throughout the portfolio, we build a shared practice inventory that consolidates and distributes these positive efforts for implementation across the entire group.

The environmental stewardship initiatives cover various aspects of building operations, including energy conservation, renewable energy sourcing, water conservation and waste reduction. These measures are being progressively implemented across all properties to meet and exceed ESG benchmarks for the portfolio's ESG benchmarks while remaining aligned with industry best practices.

(1) The 18 properties comprise of all the portfolio assets with the exception of The Lowry Hotel, voco Manchester and the two living assets (The Castings and Benson Yard). voco Manchester - City Centre in the United Kingdom has been excluded from FY 2025's ESG reporting scope as it operates under a fixed-rent lease arrangement involving separate occupational lessee and hotel manager counterparties, which limits CDLHT's access to operational data. The Castings and Benson Yard are excluded from FY 2025 environmental and social performance metrics as they were recently acquired and/or are at an early stage of operations. Data from these assets does not yet meet CDLHT's internal thresholds for completeness, consistency, and comparability required for inclusion in reported metrics.

(2) Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 Nov 2025. Formerly known as Raffles Maldives Meradhoo.

(3) IFRS ISSB S1: The ISSB standard setting out general requirements for disclosure of sustainability-related risks and opportunities that may affect an entity's financial prospects. Only the climate related sections of IFRS ISSB S1 are disclosed in this Report.

(4) IFRS ISSB S2: The ISSB standard specifying climate-related disclosure requirements, covering governance, strategy, risk management, and metrics and targets.

SUSTAINABILITY REPORT

Action Across Properties

CDLHT’s portfolio remains committed to sustainability through a range of ESG initiatives designed to enhance operational efficiency and reduce carbon emissions. Actions such as optimising equipment operating hours, replacing single-use bathroom amenities with recyclable / refillable pump dispensers, and offering guests the option to forgo daily housekeeping have contributed to lower energy use and reduced waste. Several properties have also improved equipment performance through upgrades; for instance, M Hotel has commenced integrating an in-room technology system that leverages real-time occupancy data to automatically transition guest rooms between occupied, unoccupied, and unsold states. When deployed with upgraded Fan Coil Unit (“FCU”) motors using modern Electronically Commutated technology, the integrated solution enables energy optimisation independent of guest behaviour patterns. When combined, these technologies can reduce room-level air-conditioning energy consumption by up to 70% based on system design specifications, while maintaining guest comfort.

In the Maldives, the solar systems reached stable operations in FY 2025, increasing total on-site renewable energy generation to 1.07 GWh⁽⁵⁾ annually, representing around 15.2% of the resorts’ total electricity consumption. Following commissioning and operational ramp-up in prior years, the systems have achieved steady-state performance, strengthening energy resilience at the resorts and materially reducing reliance on diesel-based power generation.

In addition, W Singapore – Sentosa Cove’s on-site solar system commenced operations in August 2025, marking a further step in scaling renewable energy adoption across the portfolio. Upon reaching stable operations, the system is expected to generate approximately 500 MWh⁽⁶⁾ of renewable energy annually, equivalent to around 5.6% of the property’s total building electricity consumption. This contributes to improved energy resilience and supporting CDLHT’s broader transition towards lower-carbon energy sources.

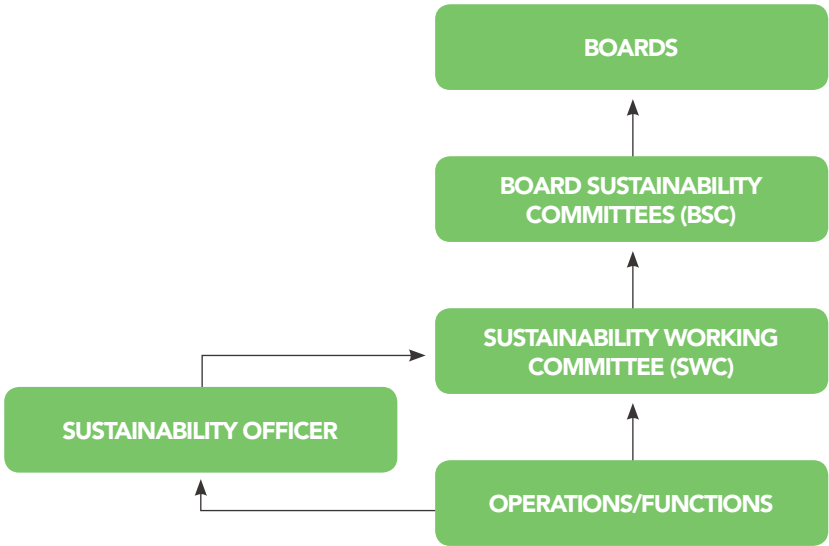
Global Sustainable Tourism Council

The Global Sustainable Tourism Council (“GSTC”) establishes and manages global standards for sustainable travel and tourism to develop a common language about sustainability in tourism. Within the Sponsor Group, Millennium & Copthorne branded hotels in Singapore continued to achieve GSTC certification, reflecting their ongoing commitment to responsible hospitality practices. In Australia, Mercure Perth further strengthened its sustainability profile through its eco-tourism initiatives, supporting environmentally responsible operations and guest experiences. Collectively, these achievements underscore the Group’s continued progress in advancing environmental responsibility across the portfolio, ensuring properties operate efficiently while minimising environmental impact.

Beyond environmental efforts, we also prioritise positive social impact. CDLHT’s properties strengthened social performance through regular staff training on workplace health and safety, as well as skills development via e-learning platforms. The properties contribute to the community by participating in volunteer activities and partnerships with local charities.

Sustainability Governance

CDLHT maintains steady progress toward our sustainability goals through a strong governance structure that provides the Boards with comprehensive oversight of all sustainability initiatives and strategic priorities.



The Boards are responsible for reviewing and guiding all relevant sustainability matters to ensure our business strategies remain aligned with the objectives set. They also oversee and track the performance of our material ESG factors, including climate related considerations such as emission reduction efforts, climate action, and resilience planning.

The BSCs were first formed in 2024 to further enhance our sustainability governance and better dedicate management capacity toward sustainability-related matters. The BSCs’ roles and responsibilities are formalised in the Terms of Reference (“TOR”), which include oversight of climate-related risks and opportunities. This ensures structured guidance on managing climate impacts and integrating resilience into CDLHT’s strategy.

The BSCs work closely with the Sustainability Working Committee (“SWC”) and report directly to the Boards. The SWC, led by the CEO of the Managers, Mr. Vincent Yeo Wee Eng, brings together key personnel from various business functions. Under the BSCs’ oversight, the SWC

manages CDLHT’s overall sustainability performance and drives strategies that integrate material ESG factors into daily operations. A dedicated Sustainability Officer supports these efforts by implementing green initiatives, tracking sustainability metrics, and frequently reporting to the SWC.

To further strengthen sustainability and climate-related governance, ESG workshops and briefings conducted by external ESG consultants are made available to CDLHT’s Directors and senior management to deepen their understanding of environmental issues impacting the portfolio.

CDLHT’s sustainability performance is supported by a portfolio-wide data capture and analysis system that is continually enhanced to collect comprehensive metrics from each property. This enables more effective monitoring, tracking, and identification of opportunities for improvement at the individual property level, ultimately strengthening sustainability performance across the entire portfolio.

(5) GWh refers to gigawatt-hours, a unit of energy equivalent to one million kilowatt-hours (kWh).
(6) MWh refers to megawatt-hours, a unit of energy equivalent to one thousand kilowatt-hours (kWh).

SUSTAINABILITY REPORT

Material ESG Factors

CDLHT’s material ESG factors were determined in consultation with external ESG consultants, internal stakeholders, and approved by our Boards. CDLHT considers these material topics to be directly relevant to the continuity of the business.

In FY 2025, CDLHT undertook a double materiality assessment (“DMA”) to assess sustainability topics more holistically. Both impact materiality (inside-out perspective) and financial materiality (outside-in perspective) impacts were considered in relation to the economy, environment, and people.



1. IDENTIFY

A long list of relevant ESG topics were based on industry trends review and peer benchmarking.

2. PRIORITISE

The ESG factors prioritised base on their financial and impact materiality, using the following criteria:

- Potential long-term value for our stakeholders
- Influence on decision-making process of key internal and external stakeholders
- Likelihood and impact to CDLHT’s business strategies, financial planning, business model and outcomes, and business continuity
- Contributions to UN SDGs

3. REVIEW

The material ESG factors and UN SDGs were reviewed by CDLHT’s senior management and business units in terms of their relevance and significance to the business from a financial and impact perspective.

4. VALIDATE

The findings of the review were discussed and validated by the management before being presented to the Boards for final approval.

Following the DMA, we refreshed our materiality matrix and conducted a reassessment of our material topics to better capture emerging sustainability priorities. This process resulted in a streamlined set of 13 material ESG factors, consolidated from 20 previously reported topics, reflecting a more focused and decision-useful representation of the issues most relevant to CDLHT and its stakeholders. As part of this refresh, two new topics, **Quality, and Sustainable Products and Services** and **Supply Chain Management**, were added to our reporting scope, recognising the growing importance of responsible sourcing and innovative offerings in the hospitality sector. These enhancements reinforce CDLHT’s commitment to creating long-term value while addressing climate resilience and stakeholder needs.

We continue to review material topics annually to ensure they remain relevant. The **13 material ESG factors** are organised under four core ESG pillars, and our sustainability framework aligns these pillars and material topics with our commitments to the UN SDGs. The following table illustrates how each pillar and its material ESG factors contribute to our efforts in advancing the UN SDGs.

Core ESG Pillar	Material ESG Factors	UN SDGs	Overarching Ambitions
Responsible Investment and Sustainable Value	• Economic Performance • Responsible Investment • Quality, Sustainable Products and Services		• Implement responsible investment practices • Create economic value for stakeholders and ensuring continual business growth
Good Governance and Ethical Business	• Corporate Governance • Cybersecurity and Data Privacy		• Ensure fair, responsible, compliant, and transparent business conduct • Educate and raise awareness on issues of modern slavery and human trafficking • Facilitate supply chain stewardship with vendors, partners, managers, and tenants
Climate Resilience and Environmental Stewardship	• Climate Action and Energy Management • Water Management • Waste Management	 	• Understand and manage climate opportunities and risks • Manage and minimise carbon footprint and reduce impact on the environment • Advocate, enable and enhance resource efficiencies in portfolio
Enabling Inclusiveness, Safety, Growth and Diversity of Our People	• Employee Engagement and Talent Management • Diversity and equal opportunity • Health and safety • Stakeholder Impact and Community Engagement • Supply Chain Management	 	• Advocate, enable and enhance fair labour practices and employee well-being • Promote safe and healthy workplaces for people and customers • Engage with employees and support their growth and development • Promote positive community engagement

SUSTAINABILITY REPORT

Sustainability Progress and Targets

CDLHT takes pride in the progress made across many of our material ESG factors. We have set a range of environmental targets related to emissions, energy, water, and waste, as well as social targets related to safety, and corporate social responsibility.

Material ESG Factors	Targets for FY 2025	Key results in FY 2025	Targets for FY 2026
Emissions Reduction 	Decarbonisation target validated with SBTi	In progress	Maintain progress
Energy Efficiency 	Aggregate 5% to 7% reduction in energy consumption across the portfolio by FY 2026, with FY 2019 as the baseline at 0.2 MWh/m² ⁽⁷⁾	The energy intensity is 12.9% lower than FY 2019 baseline	Maintain progress
Water Stewardship 	Aggregate 2% - 7% reduction in water consumption across the portfolio by FY 2026, with FY 2019 as the baseline at 2.5 m³/m² ⁽⁷⁾	The water intensity is 12.8% lower than FY 2019 baseline	Maintain progress
Waste Reduction 	Remove single-use plastics in F&B operations for 100% of hotel portfolio by end of FY 2025	100% of our hotels have replaced single-use plastics in F&B operations	Commence implementation of formal food waste tracking and reduction programmes in FY 2026, with at least 80% of hotels with F&B operations covered by end of FY 2027
Health and Safety 	Zero incidents of fatality or permanent disability and strive to minimise any work-related injuries	Zero incidents of fatality or permanent disability in FY 2025	Maintain target
Local Community Impact 	Conduct at least 15 community/social events or projects in FY 2025	Portfolio of properties participated in over 60 corporate and social responsibility activities	Conduct at least 20 community/social events or projects in FY 2026

(7) Intensity comparison uses building GFA as the denominator to account for portfolio changes and is consistent with industry standard.

Excellence in Corporate Governance

CDLHT's commitment to corporate governance and shareholder engagement continues to be recognised externally. It was the joint winner of the prestigious Shareholder Communications Excellence Award (REITs & Business Trusts Category) at the Securities Investors Association (Singapore) ("SIAS") Investors' Choice Awards 2025. In the 2025 Singapore Governance and Transparency Index (SGTI), CDLHT was placed 10th in the REIT and Business Trust category.

Rating/ Award	Achievement
SIAS Investors' Choice Awards 2025	 Joint winner of the Shareholder Communications Excellence Award (REITs and Business Trusts Category) for the second consecutive year
Singapore Governance and Transparency Index	10th place in SGTI ranking in the REIT and Business Trust category

Stakeholder Engagement

CDLHT engages in proactive, regular communication with our various stakeholder groups, ensuring their key concerns are addressed and they remain informed about ongoing initiatives and progress.

In FY 2025, engagement with internal stakeholders continued throughout the year through multiple channels. Feedback was obtained during quarterly Board meetings and through ongoing interactions with the operating and management teams across the portfolio.

We also maintain regular engagement with external stakeholders including hotel suppliers and business partners, through symposiums, tradeshow, periodic meetings, and vendor assessments. The table below summarises our engagement efforts in FY 2025.

Stakeholder Group	Engagement Approach	Key Topics
Board of Directors 	- Board meetings (including ad-hoc briefings with external ESG consultants) - Email communication	- Economic performance - ESG performance and trends - Sustainability-linked financing opportunities - Risk management - Responsible investment - Quality, sustainable products and services
Government and Regulators 	- Ad-hoc briefings and consultations - Participation in surveys and focus groups	- Risk management - Social and environmental-related legislation
Hotel Employees 	Led by hotel operators: - Training and transition assistance programmes - Annual employment survey - Performance and career development reviews	- Career development opportunities - Training and development - Workplace safety and well-being, including pandemic readiness
Guests and Residents 	- Customer satisfaction surveys - Social media - Feedback via General Manager	- Customer health and safety - Environmental responsibility - Quality, sustainable products and services

SUSTAINABILITY REPORT

Stakeholder Group	Engagement Approach	Key Topics
Master Lessees and Property Managers 	- Regular management meetings and communication - Bilateral communication, one-on-one meetings, and site visits	- Workplace safety and well-being - Customer health and safety - Eco-efficiency of buildings - Sustainable operating standards and practices
Investors, Analysts and Media 	- Release of financial results and announcements, press releases, presentation slides and other disclosures through SGXNet and CDLHT's website - Meetings and calls with analysts and media - Investor meetings, conferences and roadshows - Annual General Meetings - Annual reports and sustainability reports - Media releases and interviews - Responses to investors' sustainability surveys	- Business strategy and outlook - Corporate governance - Progress on ESG initiatives - Distribution and earnings - Market and operational performance updates - Regulatory compliance
Hotel Suppliers and Business Partners 	Led by hotel operators: - Assessment of suppliers and vendors - Meetings with business partners	- Economic performance - Environmental factors - Supply chain management - Due diligence process during selection

RESPONSIBLE INVESTMENTS AND SUSTAINABLE VALUE

CDLHT promotes responsible investing through transparent, sustainable, and ethical investments. As the properties operate across numerous geographies, we monitor, as far as possible the portfolio's environmental and social impacts, risks, and opportunities throughout our value chain. By integrating ESG priorities into economic performance, investment decisions, and business strategies, we create long-term value while contributing to the well-being of the communities where we have presence in. Our goal is to deploy capital in ways that positively impact the environment and society, building a more sustainable future.

Key Materials Topics & Performance Highlights

Material Topics

- Economic Performance
- Responsible Investment
- Quality, Sustainable Products and Services

Key Performance Highlights

437 kWp

on-site solar system commissioned at W Singapore – Sentosa Cove

"Very Good"

BREEAM rating achieved by Hotel Cerretani Firenze – MGallery

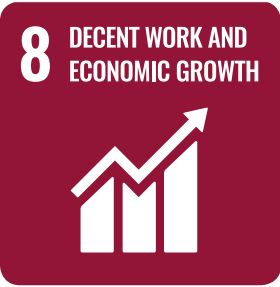
63%

of portfolio properties green-certified

ZERO

incidences of non-compliance or statutory lapses

Relevant UN SDGs:



SUSTAINABILITY REPORT

Economic Performance

As a leading hospitality trust, sustaining economic growth remains essential to the long term viability of our business. Our key economic priorities are to optimise risk-adjusted returns for our Stapled Security Holders and to deliver distributions that are commensurate with portfolio performance. A summary of FY 2025's financial performance, including operations, revenue, and expenditure, can be found on pages 198 - 200 of our Annual Report. Our management team works towards these economic goals through the following strategies:



Responsible Investment

Businesses are increasingly broadening their corporate priorities to include purpose-driven growth. This shift is reflected in the rise of global assets under management with ESG mandates, as well as the growing number of asset managers committing to sustainable or net-zero investment portfolios. As the world moves toward greater sustainability, CDLHT incorporates ESG considerations into its investment decisions as part of its responsible investment approach.

Approach

As part of our investment due diligence process, we continue to evaluate the sustainability performance and risks of prospective acquisitions through ESG assessments. This due diligence process helps us identify potential ESG-related risks and opportunities to enhance the energy efficiency and overall sustainability of the assets.

Various risks are evaluated across ESG, including:

- Climate and environmental risks: Energy efficiency, renewable energies, water utilisation, waste and pollution.
- Social risks: Accessibility, health and well-being of stakeholders.
- Governance risks: Sustainability labelling of ESG strategy.

In addition, the ESG due diligence process includes carbon-related assessments to address environmental risks. This involves evaluating the asset's carbon footprint, energy usage, and GHG emissions.

Our responsible investment approach also extends to overseeing ESG practices across all properties under our management. For each material topic, we outline the sustainable infrastructure features incorporated into our properties. Some of which include installing solar photovoltaic ("PV") systems, electric vehicle ("EV") charging stations, eco-digesters to reduce food waste, and water-saving showerheads.

CDLHT also actively identifies and undertakes capital expenditure initiatives to enhance the sustainability performance of our buildings, with a strong focus on improving operational effectiveness and energy efficiency.

Performance

In the Maldives, the solar systems reached stable operations in FY 2025, lifting total on-site renewable energy generation to 1.07 GWh, or 15.2% of the resorts' total electricity consumption. Having progressed beyond

initial commissioning and ramp-up phases in prior years, the systems are now operating at steady-state levels, reinforcing energy resilience at the resorts and supporting a sustained reduction in reliance on diesel-based power generation in an off-grid environment.

Complementing this progress, W Singapore – Sentosa Cove commissioned its on-site solar photovoltaic system in August 2025, marking a further step in scaling renewable energy adoption across the portfolio. Upon achieving stable operations, the system is expected to generate approximately 500 MWh of renewable energy annually, equivalent to around 5.6% of the property's total building electricity consumption. This strengthens on-site energy resilience and contributing to CDLHT's broader transition towards lower-carbon energy sources across both resort and urban hospitality assets. Further information can be found under our material topic on Energy Efficiency, Water Stewardship and Waste.

Quality, Sustainable Products and Services

Safe, compliant, and liveable assets are critical to building guest confidence, ensuring tenant satisfaction, and maintaining stable distributions. As a multi-jurisdictional owner, we uphold our duty of care by meeting local building, safety, and accessibility requirements, as well as recognised operating standards. Strong safety and liveability practices reduce operational risk, safeguard insurability, and enhance portfolio resilience.

Approach

All buildings are kept in line with regulations and best practices for safety, accessibility, and liveability. In Singapore, this includes meeting the Building and Construction Authority's ("BCA") Code on Accessibility in the Built Environment. Where gaps exist, retrofitting is carried out promptly wherever practical. Regular inspections help maintain safety standards and ensure a secure environment for occupants. To further improve the experience, guest satisfaction surveys are conducted to understand needs and expectations, and feedback is used to guide ongoing enhancements across our properties. One example is at W Singapore, where guest experience is measured by engaging with Medallia GuestVoice, a unified experience management platform, to gather insights to further improve guest experiences at our hotels. In addition, most of our properties undergo internal quality assurance reviews to ensure compliance with the highest standards for our guests.

SUSTAINABILITY REPORT

Pro-Environment Capital Expenditures

CDLHT adopts a considered approach to pro-environment capital expenditures, focusing on initiatives that support long-term asset resilience, operational efficiency, and enhanced guest experiences. The majority of CDLHT’s properties are located in urban and built-up environments, and as such, our portfolio has limited direct interaction with natural habitats. Accordingly, CDLHT assessed its exposure to biodiversity-related risks as minimal, with no material impact identified at the portfolio level.

Notwithstanding this, CDLHT remains mindful of the role the built environment can play in enhancing its surroundings. Where practicable, we consider the incorporation of greenery, landscaping and environmentally-aligned enhancement projects within its assets, taking into account site constraints, operational feasibility and local context. Such initiatives are intended to complement the surrounding ambience of our properties, improve the quality of guest spaces, and support broader environmental stewardship objectives.

For resort based assets with closer proximity to natural ecosystems, targeted initiatives are undertaken at the property level. Further details on environmental and conservation related projects implemented at Angsana Velavaru are set out in the *Island Initiatives* section of this Report.

Certifications and Recognitions Supporting Safe, High Quality and Liveable Assets

We view third-party accreditation as a strong endorsement of our sustained efforts to operate safe, accessible and high-quality spaces. Our portfolio holds the following certifications and ratings:

Region	Name of Award	Our Portfolio
Singapore	BCA Green Mark Award	Platinum Copthorne King’s Hotel
		Gold Plus Orchard Hotel Grand Copthorne Waterfront Hotel M Hotel
	EarthCheck Silver Certificate	W Singapore - Sentosa Cove
	Global Sustainable Tourism Council Certification	Orchard Hotel Grand Copthorne Waterfront Hotel M Hotel Copthorne King’s Hotel Studio M Hotel
	WELL Health–Safety	Grand Copthorne Waterfront Hotel
New Zealand	Qualmark Gold Sustainability Award	Grand Millennium Auckland
Australia	Ecotourism Certification - Sustainable Tourism	Mercure Perth Ibis Perth
	National Australian Built Environment Rating System (“NABERS”)	Ibis Perth Energy – 4 stars Water – 3.5 stars
Maldives	Green Globe	The Halcyon

Region	Name of Award	Our Portfolio
United Kingdom	BREEAM	Very Good (New Construction) voco Manchester - City Centre
	EPC Rating	“B” Rating The Lowry Hotel Hilton Cambridge City Centre voco Manchester - City Centre Hotel Indigo Exeter Benson Yard
Germany & Italy	BREEAM	Very Good (In Use) Hotel Cerretani Firenze – MGallery
		Good (In Use) Pullman Hotel Munich
	Green Key Certification	Pullman Munich Hotel Cerretani Firenze – MGallery

Hotel Cerretani Firenze – MGallery upgrade its BREEAM rating from “Good” to “Very Good”

This improvement reflects the property’s strengthened performance across key sustainability areas assessed by BREEAM, including energy management, health and wellbeing, resource efficiency and operational controls. The upgraded rating underscores our continued efforts to enhance the environmental performance of existing assets through targeted improvements and ongoing operational optimisation.

These certifications complement CDLHT’s broader sustainability actions, including portfolio-wide health, safety, and environmental training, systematic facility inspections, and the adoption of green operations standards that elevate building quality and the user experience.

Performance

There were zero incidences of non-compliance or statutory lapses recorded in FY 2025. CDLHT pledges to maintain these stringent standards, ensuring that all development and asset enhancement efforts prioritise the safety and comfort of guests and tenants. This year, we achieved green certification for 63% of our assets and remain committed to expanding certification across our remaining properties in the coming years.

Case Study

Grand Copthorne Waterfront Hotel has BCA Green Mark Gold Plus and has continued to advance its sustainability efforts through initiatives such as linen and towel reuse programs, wooden keycards, water dispensers, and energy-saving in-room controls that automatically power down when guests leave. These collective actions support our commitment to responsible and environmentally conscious operations.

In addition, to enhance guest experiences, GCW also collect guest feedback through surveys, online review platforms, and direct interactions, enabling us to identify trends and address issues promptly. By analysing this input and following up with guests, we can enhance operational efficiency and strengthen loyalty through informed, data-driven improvements.

SUSTAINABILITY REPORT

GOOD GOVERNANCE AND ETHICAL BUSINESS

Ensuring fair, responsible, compliant, and transparent business conduct is a cornerstone of cultivating trust and fostering loyalty among all stakeholders. CDLHT upholds its dedication to corporate governance, ethical business practices, and compliance with all applicable regulations, thereby fortifying the foundation of CDLHT’s enduring sustainability, safeguarding the diverse interests of valued stakeholders, and reinforcing our position as a trusted partner and steward of value creation.

Key Materials Topics & Performance Highlights

Material Topics

- Corporate Governance
- Cybersecurity and Data Privacy

Key Performance Highlights

ZERO
cases of misconduct or non-compliance across the portfolio.

ZERO
incidences of bribery, or corruption reported

ZERO
Regulatory breaches, significant fines or sanctions

Relevant UN SDGs:



Corporate Governance

Approach

At CDLHT, strong corporate governance underpins the commitment to ethical and transparent business conduct across the portfolio. We prioritise integrity and accountability through mandatory compliance training tailored to employees’ roles and responsibilities, ensuring all staff are equipped to discharge their duties in accordance with our values and policies.

CDLHT adopts a zero-tolerance approach towards bribery, corruption, and fraud and maintains a comprehensive whistleblowing framework that enables employees, directors, and third parties to report suspected improprieties confidentially and in good faith without fear of retaliation. The whistleblowing policy is integrated into employee orientation, is publicly accessible, and is complemented by open-door reporting channels through the operators’ or properties’ human resources departments. Reported concerns are reviewed under the oversight of the Managers’ Audit and Risk Committees (“ARCs”), which provide ongoing monitoring and accountability. Regular refresher training reinforces employees’ understanding of ethical standards and anti-corruption practices. As a global organisation, CDLHT is committed to complying with applicable social and environmental regulations across the jurisdictions in which it operates, ensuring responsible conduct throughout the operations.

This governance framework is supported by a comprehensive suite of policies designed to promote a robust risk management culture. These include the Anti-Bribery Policy, Anti-Corruption Compliance Guide, Business Hospitality and Gifts Policy, and Whistleblowing Policy, as well as policies on Corporate Communications, Global Data Protection, and Related Party Transactions, to strengthen accountability and responsible conduct. The policies are regularly reviewed to ensure alignment with evolving laws and regulations, with effective implementation supported by clear reporting lines, oversight mechanisms, and incident documentation procedures.

Across the portfolio, policy implementation is managed through established processes, including the regular review and updating of policies, prompt reporting of suspected violations through designated reporting lines, ongoing monitoring of non compliance issues, and formal documentation of incidents through incident reports filed with the Security department.

In FY 2025, the Managers have complied with the principles of corporate governance laid down by the MAS Code of Corporate Governance 2018 (“Code”), and also complied, substantially, with the provisions underlying the principles of the Code. In addition, the REIT Manager is a member of the Financial Industry Disputes Resolution Centre Ltd and a member of the REIT Association of Singapore.

Performance

Indicator	FY 2025 Performance
Ethical and Transparent Business	Zero cases of misconduct or non compliance reported across the portfolio
Anticompetitive Behaviour [206-1]	Zero incidences of anti competitive behaviour or breaches of anti trust or monopoly legislation
Fines and Sanctions	No fines or sanctions incurred
Whistleblowing	One whistleblowing complaint received through CDLHT’s whistleblowing channels
Bribery and Corruption	Zero incidences of bribery, corruption, or misconduct reported
Compliance with Social and Environmental Laws	Zero incidences of non compliance and no significant fines or sanctions

SUSTAINABILITY REPORT

In FY 2025, CDLHT recorded strong performance across all corporate governance and compliance indicators. There were zero cases of misconduct, corruption, bribery, or non-compliance reported across the portfolio. During the year, there were also no incidences of anticompetitive behaviour or violations of antitrust or monopoly legislation. CDLHT did not incur any fines or sanctions relating to these matters. In addition, there were no instances of non-compliance with social and environmental laws and regulations. CDLHT continues to reinforce these outcomes through ongoing training, including policy briefings during new employee orientation and regular updates on applicable policies and regulatory developments, and remains committed to maintaining zero incidents of non-compliance.

In 2025, one whistleblowing report was received and was promptly escalated to the ARCs in accordance with the Managers’ whistleblowing procedures. The report was reviewed in accordance with established protocols and was assessed to be unsubstantiated. There were no breaches of applicable laws, regulations or internal policies, hence no further action was required. The Managers remain committed to maintaining effective whistleblowing channels to encourage the reporting of concerns in good faith, while ensuring that all reports are handled in a fair, objective and confidential manner.

Cybersecurity and Data Privacy

Approach

Digitalisation and technology are integral to CDLHT’s business operations and growth, involving the management of significant volumes of sensitive tenant and guest information. This data can be exposed to cybersecurity risks, including potential unauthorised access, which could result in financial loss, operational disruption, reputational damage and legal or regulatory consequences if compromised. Accordingly, robust cybersecurity and data privacy measures are essential to safeguarding information assets and maintaining investor and stakeholder confidence. In addition, appropriate preventive control measures are in place, and employees are required to complete regular online cybersecurity and data privacy training to ensure ongoing awareness of secure IT practices, phishing threats, and data protection requirements. These measures are essential to maintaining a secure environment and mitigating risks across property systems.

The Managers have implemented a Data Protection Handbook to safeguard personal data in accordance with the relevant legal requirements outlined in the Personal Data Protection Act and the Securities and Futures Act in Singapore. Furthermore, lessees and property managers are expected to comply with applicable local data and privacy laws within their respective jurisdictions.

Performance

In FY 2025, the Data Protection Officer received no complaints about data privacy breaches. Portfolio properties are expected to uphold appropriate data protection practices in accordance with applicable requirements across their respective operating jurisdictions.

CLIMATE RESILIENCE AND ENVIRONMENTAL STEWARDSHIP

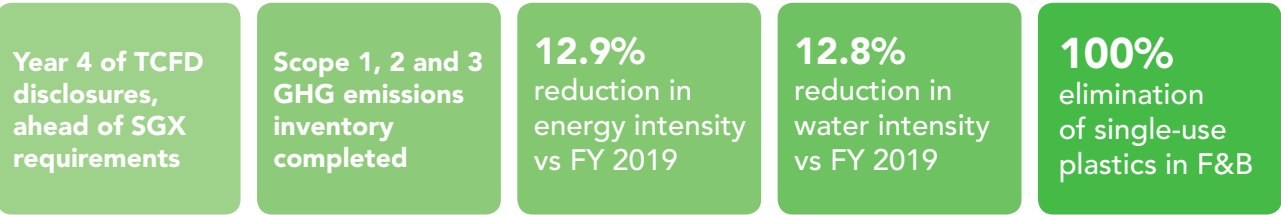
CDLHT acknowledges the critical need to address climate change and manage related risks to stay aligned with industry best practices. In this regard, the Boards and the BSCs provide governance oversight to address pertinent issues related to climate risk exposure, such as the adoption of best practices and preventive measures to reduce CDLHT’s carbon footprint. In line with this commitment, we actively undertake initiatives to conserve natural resources by reducing energy and water usage, lowering both direct and indirect carbon emissions, and minimising waste across the portfolio of properties.

Key Materials Topics & Performance Highlights

Material Topics

- Climate Action and Energy Management
- Water Management
- Waste Management

Key Performance Highlights



Relevant UN SDGs:



SUSTAINABILITY REPORT

Climate Action and Energy Management

Climate change introduces both physical and transition risks to CDLHT’s global portfolio and operations, reinforcing the importance of our commitment to climate action and its influence on our business strategies and stakeholder engagement. With operations spanning multiple regions, it is essential for us to understand the specific climate related factors affecting each geographic location. These range from shifting energy costs associated with the transition to a low carbon economy to physical threats such as flooding and other extreme weather events. By proactively identifying and managing these risks, we strengthen the sustainability and resilience of our business, ensuring continued alignment with evolving climate conditions.

Approach

Since FY 2022, CDLHT has adopted the TCFD recommendations as a guiding framework for identifying and disclosing climate-related risks and opportunities. In FY 2025, CDLHT commenced its transition towards alignment with the ISSB’s IFRS S1 and S2 climate-related disclosures. This ongoing effort is intended to progressively enhance the consistency, comparability and decision-usefulness of CDLHT’s climate-related disclosures as it continues to strengthen its approach to climate resilience across its global portfolio.

Targets

The individual targets set out for each category of resource usage are detailed in their respective sections within our material topics below. As CDLHT continues to make progress in tracking and reporting its full GHG emissions footprint, we will also align attainable and ambitious short-term, medium-term, and long-term resource usage targets with those for decarbonisation, including becoming SBTi-aligned in the future, with the view to achieving Net Zero by 2050.

Case Study

CDLHT embodies this through energy management data collection and monitoring across properties to identify trends and further improve operations efficiently and effectively. One instance where this is demonstrated is through Copthorne King’s Hotel in Singapore, where energy management was enhanced by integrating the Energy Management System (“EMS”) with the Building Management System (“BMS”), allowing energy usage to be correlated with occupancy patterns and guest behaviour for more precise, data-driven adjustments. Key initiatives supporting this include installing LED lighting to significantly reduce energy consumption; optimising Heating, Ventilation, and Air Conditioning operations through smart thermostats and automated room control units that adjust temperatures based on real-time occupancy; and promoting staff engagement through regular training, incentives, and ongoing feedback on sustainability. Together,

these measures strengthen operational efficiency while fostering a culture committed to long-term energy sustainability.

Our Climate-related Disclosures

Climate change poses significant risks to CDLHT, including potential asset damage, rising insurance costs, and challenges in revenue generation. At the same time, it creates opportunities to leverage sustainability-linked financing, improve energy efficiency, and reduce operating costs. CDLHT recognises the importance of building resilience and has adopted the recommendations of TCFD and ISSB’s IFRS S1 and S2 climate-related disclosures to guide our climate risk management and disclosure approach.

To prepare for evolving regulatory and reporting expectations, we conducted a climate-related gap analysis and developed a structured roadmap to strengthen the quality, consistency, and transparency of climate-related disclosures. In FY 2022, the first climate scenario analysis based on IPCC⁽⁸⁾-aligned climate scenarios were undertaken, providing valuable insights into the implications of climate risks and opportunities across different time horizons. These efforts help us refine adaptation and mitigation strategies, ensuring our business remains aligned with evolving climate realities.

The climate related disclosures in this report are also prepared in accordance with MAS’ Guidelines on Environmental Risk Management for Asset Managers, effective since June 2022. We express support for MAS’ initiative and expect to apply the guidelines to improve the direction and clarity of our climate resilience, mitigation and adaptation measures.

Governance

Oversight of climate-related risks and opportunities is embedded within CDLHT’s overall governance framework. The Boards maintain overall responsibility for integrating sustainability considerations into CDLHT’s business objectives and strategy, and for approving key environment-related policies and frameworks (including climate). The Boards monitor CDLHT’s material ESG factors, including climate-related risks and opportunities associated with emissions reduction and climate action, and receive quarterly updates on ESG performance and key developments.

The BSCs provide strategic oversight of CDLHT’s sustainability agenda, including the identification and management of climate-related risks and opportunities. They oversee the setting of climate-related targets and review management’s progress through regular reporting to ensure accountability and effective implementation. The roles and responsibilities of the BSCs are formalised in the TOR and include oversight of sustainability strategies and alignment with CDLHT’s overall risk management framework.

Management has developed and implemented an environmental risk management framework and policy, as well as tools and metrics to monitor exposures to climate-related risks and opportunities. Management provides updates to the BSCs and the Boards on sustainability performance and material climate-related matters at least quarterly and at year-end meetings.

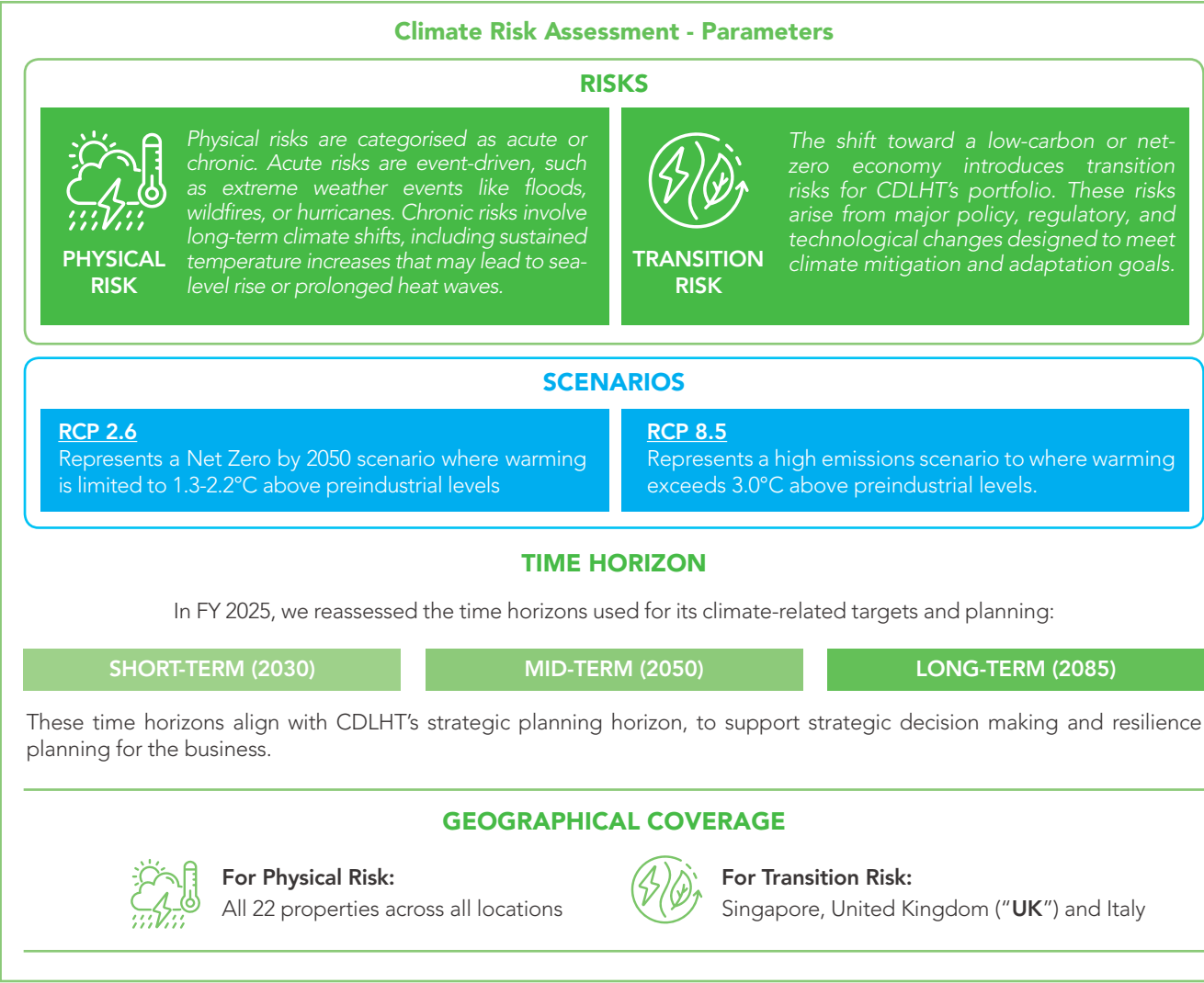
CDLHT’s SWC, which comprises key personnel from various business functions, is led by the CEO and overseen by the BSCs. At the operational level, the SWC manages and monitors CDLHT’s overall sustainability performance and formulates strategies, including individual function-level strategies that incorporate material ESG factors into daily operations.

Further details of our climate and overall sustainability governance structure and processes may be found in the Sustainability Governance section under Our Sustainability Approach.

Strategy

CDLHT regularly monitors and assesses its exposure to climate-related risks and opportunities. In FY 2025, these risks and opportunities were identified and evaluated through an integrated Climate Risk Assessment, which included the use of climate scenario analysis to assess potential impacts on CDLHT’s operations. Climate-related issues are managed under the *Climate Action and Resilience* theme within the *Climate Resilience and Environmental Stewardship* pillar.

The assessment incorporated the analysis of climate-related risks and opportunities that could be financially material to CDLHT, considering both physical and transition risk drivers. The scenario analysis evaluated exposures across the eight geographical markets in CDLHT’s portfolio using defined climate parameters.



(8) IPCC refers to the Intergovernmental Panel on Climate Change, the United Nations body responsible for assessing the scientific basis of climate change, its impacts and risks, and options for mitigation and adaptation

SUSTAINABILITY REPORT

The climate risk assessment revealed a number of climate-related risks and opportunities, tabled below, that may be financially material to our operations. Each of the identified risks includes our considered mitigation and adaptation measures.

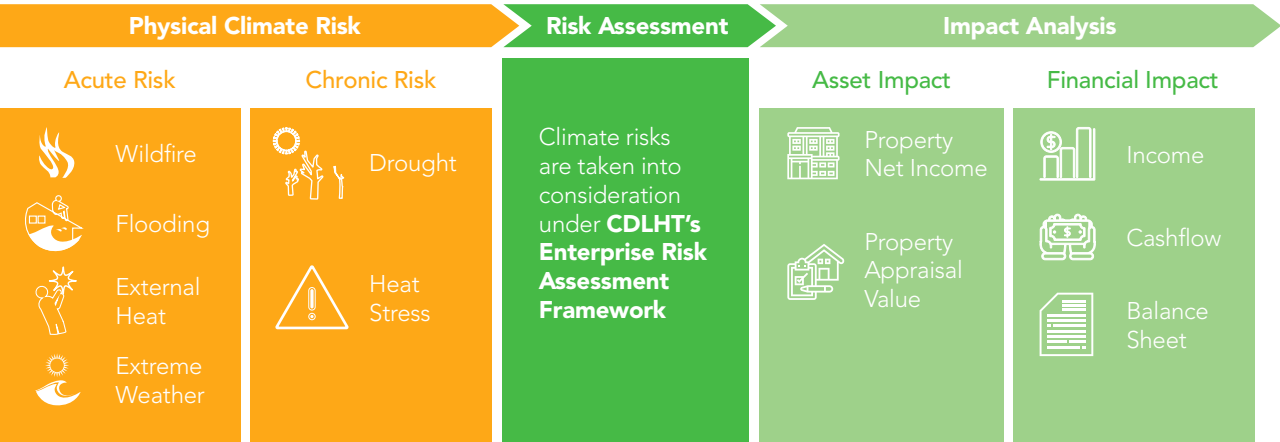
Physical Risks and Opportunities

Climate Scenario Analysis for Physical Risk

This year, CDLHT undertook a physical risk analysis, in line with the ISSB's IFRS S2 requirements, to better understand the quantitative impacts on asset value and the business's financial implications. The analysis will support CDLHT in undertaking any necessary mitigative and adaptive actions to protect the business from climate change impacts.

Climate Quantification Assessment

For each physical risk, a climate quantification assessment was conducted to assess the potential financial impact of the hazard across all three RCP scenarios.



Climate risk quantification assessment process

Physical Climate Risk Financial Impacts

Across all CDLHT-owned assets, nine physical climate hazards — cyclones, pluvial flooding, fluvial flooding, tidal flooding, extreme winds, extreme heat, heat stress, drought and wildfire — were assessed across short-term, medium-term and long-term horizons. From this review, pluvial flooding was identified as the hazard with the highest risk to our portfolio, while all other hazards were assessed as minimal impact. While currently we are reporting qualitatively, pluvial flooding will be further quantified next year to support a more detailed evaluation.

Transition Risks and Opportunities

In addition to physical climate risks, we conducted a comprehensive assessment of key transition risks and opportunities across three major jurisdictions — Singapore, the UK, and Italy, which were identified as the locations with high transition-risk impact across the portfolio. This analysis systematically examined how evolving regulations, market dynamics, technological developments, and stakeholder expectations could affect CDLHT's operations and long-term strategy.

The assessment covered the following transition risk categories:

Risks Type	Transition Risk
Policy & Legal	Increased pricing of GHG emissions Enhanced emissions-reporting obligations Exposure to litigation
Technology	Unsuccessful investment in new technologies Costs to transition to lower emissions technology
Market	Uncertainty in market signals / shifts in consumer preferences Supply chain disruptions and price volatility
Reputation	Exposure to litigation Stigmatisation of sector Increased stakeholder concern or negative stakeholder feedback
Opportunity Type	Transition Opportunity
Reputation	Appealing to the sustainable tourism market/green corporate image
Market	Unsuccessful investment in new technologies Costs to transition to lower emissions technology
Enhanced Efficiency	Lower operating costs (by investing in energy efficiency, waste reduction, and water conservation technologies)

Following this evaluation, we identified increased pricing of GHG emissions as the most material transition risk for CDLHT, given its potential impact on operational costs. Conversely, the most significant opportunity is the rising market demand for green buildings, which aligns with our long-term sustainability positioning.

While climate-related disclosures are currently qualitative in nature, the financial impact of GHG emissions will be quantified in the next reporting cycle to support a more rigorous assessment.

SUSTAINABILITY REPORT

Relevant opportunity lies in the growing market demand for green buildings:

Amid the identified climate-related risks, a parallel opportunity arises from structural growth in Singapore's green building sector. Under the Singapore Green Plan 2030, the Singapore Green Building Masterplan targets 80% of buildings to be certified green by 2030, with the Super Low Energy programme and Green Mark standards progressively tightened. Concurrently, the market has shown that green-certified commercial assets in Singapore have demonstrated rental and valuation premiums relative to non-certified peers, reflecting stronger tenant demand and investor preference for ESG-aligned properties.

Similar trends are observed in CDLHT's international markets. In the United Kingdom, increasingly stringent building performance regulations and the growing adoption of frameworks such as BREEAM and Minimum Energy Efficiency Standards are reinforcing demand for energy-efficient and low-carbon properties, particularly among institutional investors and corporate tenants. In Italy, regulatory momentum under the EU Green Deal and the Energy Performance of Buildings Directive is accelerating the transition towards higher building energy performance standards, while sustainability considerations are becoming more prominent in hospitality asset upgrades and retrofitting initiatives.

Within the hospitality segment, sustainability considerations are increasingly embedded in guest booking decisions, reinforcing demand for energy-efficient and low-carbon accommodation.

Against this backdrop, CDLHT is positioned to capture value from the transition towards greener real estate, which in turn elevates green building from a compliance response to a strategic medium- to long-term value-creation lever.

Strategy to Manage Climate-related Risks and Opportunities

CDLHT will continue to monitor both the actual and potential impacts of climate-related risks and opportunities, adopting relevant mitigation and adaptation measures to strengthen business resilience. Our insurance coverage includes environmental risks and is reviewed periodically to ensure that our assets remain appropriately protected. As we adapt our operations and investment approach for a low-carbon economy, climate-related considerations are increasingly integrated into decision-making — including assessment of physical climate risks and implementation of targeted mitigation and adaptation measures where relevant. Climate factors are also assessed when evaluating new acquisitions.

In addition to the climate-related risks and opportunities outlined above, CDLHT continues to advance the development of its strategy to achieve Net Zero emissions by 2050, with the objective of strengthening the resilience of its assets to both physical and transition climate risks.

We have also established our baseline for Scope 3 GHG emissions in FY 2023 and completed our full inventory this year by disclosing seven material Scope 3 categories. Ongoing efforts focus on enhancing data quality and strengthening collection processes across Scope 1, Scope 2, and Scope 3 emissions.

As part of this commitment, we will measure near-term and long-term performance, including addressing both physical and transition risks, through the decarbonisation strategy. We aim to solidify this strategy by analysing emissions data and developing an emissions-reduction trajectory using a science-based approach. We continue to provide updates on the progress in each sustainability report.

Further details regarding our strategy and alignment with the SBTi are provided in the Emissions Reduction section within our Climate Resilience and Environmental Stewardship pillar.

Sustainability-Linked Financing

Continuing its sustainability-linked financing journey, CDLHT has structured facilities incorporating Sustainability Performance Targets ("SPTs") aligned with key environmental metrics. These facilities provide interest rate incentives that support the Group's efforts to enhance environmental performance and achieve its sustainability objectives.

During the year, CDLHT refinanced 82% (\$\$427 million) of its maturing facilities into sustainability-linked facilities ("SLLs"), reinforcing its commitment to responsible financing. As at 31 December 2025, the total sustainability-linked facilities stood at approximately \$\$1.1 billion, accounting for approximately 59% of CDLHT's total facilities. This represents a 65% yoy increase from the \$\$666 million SLLs reported as at 31 December 2024, reflecting meaningful progress in integrating sustainability considerations into its financing framework. Looking ahead, CDLHT will continue to explore various avenues to integrate and align environmental objectives into our financing decisions, upholding our commitment to environmental stewardship and long-term sustainable value creation for our stakeholders.

TOTAL SLLs (\$\$) AS AT 31 DEC 2025 \$\$1.1 Billion Across multiple currencies: SGD, GBP, EUR, JPY ▲ 65% yoy from 31 Dec 2024 (\$\$666M)	TOTAL SLLs AS A % of TOTAL FACILITIES AS AT 31 DEC 2025 59% Proportion of total facilities that are sustainability-linked ▲ 22% yoy from 31 Dec 2024 (37%)	% OF MATURING FACILITIES REFINANCED AS SLLs 82% \$\$427M of maturing facilities refinanced as SLLs in FY 2025
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Sustainability-linked financing milestones

FY 2023	Secured \$\$304 million sustainability-linked facilities in 2023, marking the Group's commitment to ESG-linked financing
FY 2024	82% (\$\$311 million) of maturing loans refinanced as sustainability-linked facilities, increasing the total sustainability-linked facilities to \$\$666 million as at 31 December 2024
FY 2025	82% (\$\$427 million) of maturing loans refinanced as sustainability-linked facilities, increasing the total sustainability-linked facilities to \$\$1.1 billion as at 31 December 2025

Risk Management

The Boards and management are responsible for identifying material climate-related risks and implementing appropriate mitigating measures, which are consolidated within CDLHT's Enterprise Risk Management ("ERM") framework. A structured risk management process is used to map climate-related risks, assess the severity of their potential impacts on business activities, and identify suitable risk mitigation measures. As a result, climate-related risks have been incorporated into CDLHT's updated ERM Manual. The Boards also oversees the setting of targets for climate related risks, opportunities, and disclosures, and the Management updates the Boards on the targets set on a quarterly basis.

We continue to strengthen our climate risk management policies and systems, recognising their importance in supporting informed business decisions. Climate-related considerations are taken into account as part of the evaluation process for investments. For portfolio management decisions more broadly, climate risk factors form part of the overall assessment framework alongside financial and operational considerations.

We remain focused on building our expertise in this area and are committed to providing transparent and regular updates on our progress in the years ahead.

Risk management is a key component of CDLHT's ESG policy and takes into account the MAS Guidelines on Environmental Risk Management for Asset Managers. CDLHT's ESG risk management process includes:

- A risk identification checklist that guides the scoping of an ESG risk universe, shortlisting the most relevant ESG factors for CDLHT's operations.

- Alignment with the overall Enterprise Risk Management system, which subjects all risks, including ESG risks, to three lines of defence mechanisms. This system prioritises and assesses risks according to likelihood, degree of impact, and urgency vis-à-vis other risks. It is maintained using a risk matrix, with controls assigned to each risk. Additionally, when addressing ESG risks, appropriate treatments are developed, including avoidance, mitigation, or transfer.
- Processes to monitor, assess and manage the ongoing risks of environmental impacts on individual investments and at the portfolio level. Risk and return profiles of the investment portfolio are expected to be updated in response to material events, such as natural disasters or significant regulatory changes.

In FY 2025, the Managers continued to systematically assess climate-related risks, including Scope 3 GHG emissions relevant to CDLHT's business and value chain. Climate risks are evaluated on an ongoing basis, and any new risks or material findings identified are escalated and communicated to the Boards for review. Where higher-risk areas are identified, the Boards provide oversight on the consideration of appropriate mitigation measures, ensuring climate-related risks are addressed in a timely and structured manner.

Metrics and Targets:

We have disclosed Scope 1, 2 and 3 emissions inventories on page 125 and our performance against our climate-related targets on page 106.

Additionally, climate-related metrics are included in our employee and management performance scorecards and are factored into their remuneration. These metrics are tied to the achievement of CDLHT's climate-related targets, thereby motivating our employees to support the achievement of these goals.

SUSTAINABILITY REPORT

Our FY 2025 GHG Emissions

We account for consolidated GHG emissions data according to the operational control approach methodology under the Greenhouse Gas Protocol Standard as it is best aligned with our ability to exercise influence over emissions-related activities across the portfolio.

Under this methodology, CDLHT holds direct operational control over The Lowry Hotel while the remaining properties operate under lease or management agreements where day-to-day operational decisions rest with lessees or property managers. Accordingly, emissions from energy use at 18 of the properties (excluding The Lowry Hotel) fall under Scope 3 Category 13: Downstream Leased Assets.⁽⁹⁾ Notwithstanding this classification, CDLHT continues to engage with its lessees and property managers to encourage the adoption of energy efficiency measures and emissions reduction practices across the broader portfolio. Scope 1, 2 and the relevant Scope 3 category emissions are reported for the Managers’ office and The Lowry Hotel.

Our Scope 1, 2, and 3 emissions are summarised in the table below. Further details, including a breakdown of each category, are provided in the Emissions Reduction section below.

Scope 1 emissions (tCO ₂ e)	497
Scope 2 emissions (tCO ₂ e)	31
Scope 3 emissions (tCO ₂ e)	35,604
Total (tCO ₂ e) ⁽¹⁰⁾	36,132

Emissions Reduction

The hospitality industry remains a significant contributor to global GHG emissions. The World Sustainable Hospitality Alliance estimates that hotels contribute approximately 1% of global carbon emissions, with this share projected to grow over time⁽¹¹⁾. In response to the climate-related risks these trends present to its operations and long-term asset performance, CDLHT has prioritised emissions reduction as a key component of its sustainability strategy, supporting both business resilience and wider climate change mitigation efforts.

Approach

In accordance with the Singapore Hotel Sustainability Roadmap, CDLHT began the measurement and disclosure of Scope 1 and Scope 2 GHG emissions in FY 2022, which has been adopted as the baseline year for future performance comparisons. These emissions indicators provide important insights into our exposure to climate-related risks, including our reliance on non-renewable energy sources and carbon-intensive inputs as the economy transitions towards

lower-carbon alternatives. In addition, Scope 1 and Scope 2 emissions serve as key operational metrics that reflect energy consumption levels and support compliance with the requirements of CDLHT’s sustainability-linked financing arrangements.

This year, we have achieved a more comprehensive understanding of our emissions baseline by enhancing our Scope 3 emissions reporting. To proactively align with upcoming regulatory requirements, we have taken the initiative to obtain external limited assurance for our To proactively align with upcoming regulatory requirements, we have obtained limited external assurance for our Scope 1 and 2 GHG emissions. By adopting this measure ahead of the mandate, we aim to enhance the credibility and transparency of our disclosures while reinforcing stakeholder confidence in our sustainability reporting. This early adoption also allows us to refine our assurance processes, address potential challenges, and ensure a seamless transition to full compliance when the requirement comes into effect.

Leveraging our more extensive GHG emissions inventory, we will conduct further analysis of the collected data to identify carbon hotspots within our value chain. This will also be used to shape our emissions reduction strategy moving forward. We recognise the growing importance of GHG emissions reporting as a metric that our investors and other stakeholders are interested in, and we seek to continuously improve the underlying collection and reporting processes to build on the robustness of our disclosures.

To further advance sustainability efforts across the portfolio, CDLHT has incorporated green clauses into selected operational agreements and aims to work towards broadening their adoption progressively for new agreements going forward. CDLHT also recognises the importance of a green and sustainable supply chain in driving decarbonisation efforts. Refer to the section on supply chain management ESG matters for more information.

Performance

In FY 2023, CDLHT reassessed the governance of operational processes and policies across our portfolio properties and determined that CDLHT holds operational control, according to the GHG Protocol Standard definition, only over The Lowry Hotel. Our Scope 1 and 2 emissions pertain to the use of natural gas and electricity, respectively, at the Managers’ office in Singapore and The Lowry Hotel in the United Kingdom⁽¹²⁾.

Our emissions arising from energy use include the use of fuel by properties across the different geographies. Diesel and LPG are mainly used by properties in the Maldives, while natural gas is the main fuel used at the remaining properties.

Also in FY 2023, we began disclosure of Scope 3 emissions in response to the growing demands and requirements from regulations, the market, and investors’ requests for transparency regarding value chain emissions. Scope 3 emissions are important for understanding CDLHT’s exposure to climate risk, as they reflect our level of interaction with downstream assets, suppliers, vendors, and other parties. The Scope 3 emissions reported this year reflect the adoption of a more mature and comprehensive methodology for accounting CDLHT’s emissions, resulting in observable differences compared to previously reported figures.

We started reporting on four categories - Fuel- and Energy-Related Activities not included in Scope 1 or Scope 2 (Category 3), Waste Generated in Operations (Category 5), Business Travel (Category 6), and Downstream Leased Assets (Category 13). This year, we added three more categories to our reporting - Purchased Goods & Services (Category 1), Capital Goods & Services (Category 2), and Employee Commuting (Category 7).

Based on the operational control approach, all emissions from the 18 assets⁽¹³⁾ outside our control fall under Scope 3 Category 13: Downstream Leased Assets. The rest of our Scope 3 categories comprise emissions from the Managers’ office and The Lowry Hotel.

Our emission factors are sourced from the United Kingdom’s Department of Environment, Food & Rural Affairs, the International Energy Agency, and the United States’ Energy Information Administration.

GHG Emissions for FY 2025 (in metric tCO₂e).

Scope 1	497
Scope 2	31
Scope 3	35,604
Scope 3 Category 1 Purchased Goods & Services	1,028
Scope 3 Category 2 Capital Goods & Services	128
Scope 3 Category 3 Fuel- and energy-related activities not included in Scope 1 or 2	242
Scope 3 Category 5 ⁽¹⁴⁾ Waste Generated in Operations	2
Scope 3 Category 6 Business Travel	24
Scope 3 Category 7 Employee Commuting	12
Scope 3 Category 13 ⁽¹⁵⁾ Downstream Leased Assets	34,168

Targets

CDLHT aims to establish a decarbonisation target using SBTi’s methodology to ensure that our GHG emissions reduction goals and pathway are aligned with the Paris Agreement, demonstrating our commitment to greening our business. We have commenced the process and aim to obtain validation by 2026.

We are advancing our emissions reduction efforts by implementing energy efficiency initiatives, with the long-term objective of achieving Net Zero emissions by 2050. As part of this approach, we intend to develop short-term, medium-term, and long-term decarbonisation targets using a science-based target-setting methodology, including alignment with the SBTi. Decarbonisation pathways for identified emissions-intensive hotspots will also be assessed to support targeted abatement measures.

FY 2022 has been established as the reporting baseline for Scope 1 and Scope 2 GHG emissions. In addition, we completed the measurement and disclosure of all material Scope 3 emissions categories during the current reporting year and will commence evaluating appropriate Scope 3 emissions reduction targets, including those aligned with the SBTi.

We will continue to enhance the depth and quality of its emissions analysis to better inform stakeholders of our decarbonisation strategy. This includes the identification of emissions hotspots across Scope 1, 2 and 3 to prioritise actions on the most carbon-intensive activities and support progress towards its Net Zero ambition by 2050.

Energy Efficiency

CDLHT is committed to reducing energy consumption across its portfolio by implementing a range of energy-efficiency initiatives. Energy usage is actively monitored to identify efficiency gaps and opportunities for improvement, supporting data-driven decision-making to optimise overall consumption. This systematic approach supports our environmental stewardship objectives while enhancing operational efficiency and resource optimisation.

Approach

Energy management practices across CDLHT’s portfolio are tailored to asset-specific operating environments, regulatory requirements and environmental policies. At the asset level, measures include implementing of operational initiatives to directly reduce energy use, as well as adopting technological upgrades and retrofitting solutions designed to improve energy efficiency and performance.

(9) The 18 properties comprise of all the portfolio assets with the exception of The Lowry Hotel, voco Manchester and the two living assets (The Castings and Benson Yard). voco Manchester - City Centre in the United Kingdom has been excluded from FY 2025’s ESG reporting scope as it operates under a fixed-rent lease arrangement involving separate occupational lessee and hotel manager counterparties, which limits CDLHT’s access to operational data. The Castings and Benson Yard are excluded from FY 2025 environmental and social performance metrics as they were recently acquired and/or are at an early stage of operations. Data from these assets does not yet meet CDLHT’s internal thresholds for completeness, consistency, and comparability required for inclusion in reported metrics.

(10) tCO₂e represents tonnes of carbon dioxide equivalent, which expresses the combined climate impact of different greenhouse gases on a common basis.

(11) Sustainable Hospitality Alliance: <https://sustainablehospitalityalliance.org/our-work/climate-action/>

(12) The Lowry Hotel uses 100% renewable energy. Hence, the hotel’s Scope 2 emissions are reported as zero.

(13) Excludes The Lowry Hotel, voco Manchester, Benson Yard and The Castings.

(14) Managers’ office’s waste data is reported to be zero emissions as there is a lack of data availability.

(15) Pullman Hotel Munich and Hotel Indigo Exeter uses 100% renewable energy. Hence, the hotel’s energy consumption is reported as zero emissions under Scope 3 Category 13.

SUSTAINABILITY REPORT

Operational Controls to Curb Energy Consumption

Our hotels generally operate in accordance with the environmental policies and energy management frameworks of their respective hotel brands. These frameworks support the systematic monitoring of energy consumption, guide the implementation of energy saving measures, and promote awareness of energy use among operational teams.

Key energy efficiency measures implemented at the property level include the use of BMS and EMS. These systems enable the monitoring, management and reporting of energy-intensive operations, supporting more efficient control of building functions. BMS and EMS are utilised to optimise lighting schedules, regulate operating hours for building systems, manage temperature settings, and perform other control functions to reduce overall energy consumption.

To complement asset level initiatives, we have established a centralised data management platform to collect, consolidate and monitor ESG data across the portfolio. The platform enables near-real-time tracking of key metrics, including energy consumption, waste generation, carbon emissions and workforce indicators. This data is analysed to identify performance trends and improvement opportunities, informing decision making at both individual asset and portfolio levels.

Actions across properties

- To reduce heat gain and improve thermal efficiency, solar films and shading solutions have been installed at selected properties, including hotels in Singapore and several overseas locations.
- Hotels in Singapore, UK and Europe utilise BMS to remotely monitor and control air-conditioning and mechanical ventilation operations. These systems use temperature sensors and automated set-point controls, supported by periodic reviews, to maintain indoor comfort while optimising energy efficiency.
- Some hotels have adjusted the operating hours of selected equipment to improve energy efficiency. At selected properties, including Singapore hotels and several overseas hotels, FCUs and AHUs in function rooms are switched off when not in use and operated only during events. Separately, adjustments to lift operating hours have been implemented at selected hotels to better align usage with occupancy patterns.

Retrofitting And Technological Advancements to Boost Energy Efficiency

To support energy efficiency, CDLHT continues to leverage technological solutions by retrofitting operational assets and equipment across its portfolio to optimise utility consumption. Several properties have implemented motion-sensor lighting systems that automatically deactivate when areas are unoccupied. In addition, energy-intensive equipment, such as escalators, has been fitted with motion sensors and power-saving inverters to reduce electricity consumption while extending asset lifespans.

Actions across properties

- Majority of the properties have upgraded to LED lights, with the remaining ones in the process of this conversion, and some of our properties have implemented motion sensor lighting in low traffic usage and reduced lighting schedule in public areas, including pathways, to reduce energy use. This enables additional energy savings when areas are unoccupied. Efforts to replace remaining lighting with LED technology are ongoing and continue to be implemented incrementally.
- Both the Maldives resorts substantially completed their Phase 2 solar panel installations, boosting combined renewable energy generation to 1.07 GWh in FY 2025.
- All escalators at Orchard Hotel, Grand Copthorne Waterfront Hotel and M Hotel have been retrofitted with motion sensors that will move at a low speed when there is no motion detected.

Performance

While overall business activity remained broadly comparable to FY 2024, the portfolio achieved a reduction in electricity intensity. This reflects the continued focus on energy efficiency initiatives and green projects across the portfolio, including W Singapore – Sentosa Cove’s solar installation and the deployment of AI-powered AHUs optimisation systems.

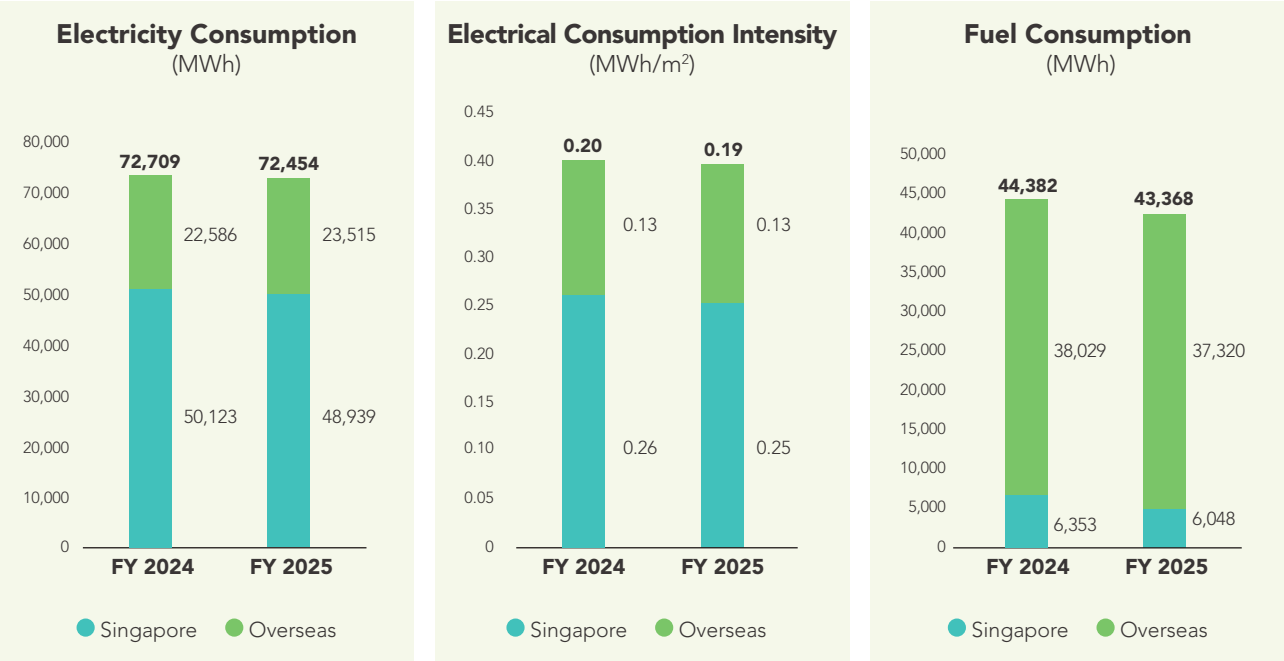
Hotel Indigo Exeter, The Lowry Hotel and Pullman Hotel Munich are powered by 100% renewable electricity. In addition, Pullman Hotel Munich utilised district heating, with total consumption of 1,856 MWh.

We will continue to identify opportunities to enhance energy efficiency and deploy suitable technologies to support our targets of reducing overall energy consumption.

Energy Consumption⁽¹⁶⁾

Performance

Also provided are the ESG metrics on resource usage data, including the forms of energy consumption, water consumption and waste generated, which are used to track, assess, and monitor climate-related risks and opportunities, as follows:



Year	FY 2024	FY 2025
Fuel Consumption (Singapore) (MWh)	6,353	6,048
Fuel Consumption (Overseas) (MWh)	38,029	37,320
Scope 1 Emissions (Total) (tCO ₂ e)	448	497
Electricity Consumption (Singapore) (MWh)	50,123	48,939
Electricity Consumption Intensity (Singapore) (MWh/m²)	0.26	0.25
Electricity Consumption (Overseas) (MWh)	22,586	23,515
Electricity Consumption Intensity (Overseas) (MWh/m²)	0.13	0.13
Scope 2 Emissions (Total) (tCO ₂ e)	34	31
Emissions (Total) (tCO ₂ e)	482	528
Electricity Intensity (MWh/m²)	0.20	0.19

Targets

CDLHT aims to achieve an aggregated 5% to 7% reduction in energy consumption (or corresponding intensity) across our portfolio by FY 2026, with FY 2019 as the comparative baseline year. Additionally, all the properties across our portfolio have individually established targets to meet.

This year, we achieved a 12.9% reduction in energy intensity compared to the FY 2019 baseline of 0.22 MWh/m².

(16) Further information can be found under our material topic on Energy Efficiency.

SUSTAINABILITY REPORT

Water Stewardship

Responsible water use is integral to the operations of CDLHT’s properties. CDLHT prioritises the efficient use of water through the implementation of structured water management and conservation initiatives, supporting water stewardship and the long term sustainability of its operations.

Approach

We are committed to minimising water consumption through the application of water management policies, operational control measures and investments in water saving technologies. Across the portfolio, properties implement water conservation practices to reduce overall water usage and ensure compliance with applicable water related regulations in their respective jurisdictions.

In Singapore, portfolio properties continue to report water consumption data under the Public Utilities Board’s Water Efficiency Management Plan. This enables systematic monitoring of water use, supports the implementation of targeted conservation measures, and facilitates the identification of opportunities to minimise water loss.

Operational Controls To Curb Water Consumption And Retrofitting To Boost Water Efficiency

All the properties have water management systems that monitor daily water consumption across operational functions. This enables timely identification of abnormal usage patterns and facilitates prompt corrective action. Routine monitoring further supports the early detection of leakages or system irregularities, helping to minimise unnecessary water loss. We recognise the role of innovation and technology in enhancing water efficiency and continue to retrofit and upgrade our water systems to support ongoing conservation efforts.

Actions across properties

- 100% of our hotels are fitted with water-saving shower heads that reduce consumption while maintaining water pressure as well as eco flush systems, which uses less water compared to a full flush. Efforts to upgrade the shower heads at the remaining hotels are ongoing.
- Over 50% of our hotels are equipped with water meter monitoring systems enabling time tracking of water consumption
- W Singapore enhanced water efficiency by installing in-room water filters, upgrading selected irrigation systems, and reducing Water Closet (WC) flush volumes with tank-adjustment measures. These initiatives strengthened water savings across guest rooms, facilities, and landscaping.
- Following the acquisition of Hotel Indigo Exeter, an initial review of water consumption was undertaken using supplier billing data and on-site metering. This early assessment enabled the identification of targeted efficiency initiatives, including the installation of tap aerators, toilet cistern displacement and controlled showerhead flow. This resulted in annual saving of approximately 576,000 litres of water. The IHG Green Engage platform supports ongoing monitoring, team engagement and operational oversight to help sustain these improvements.

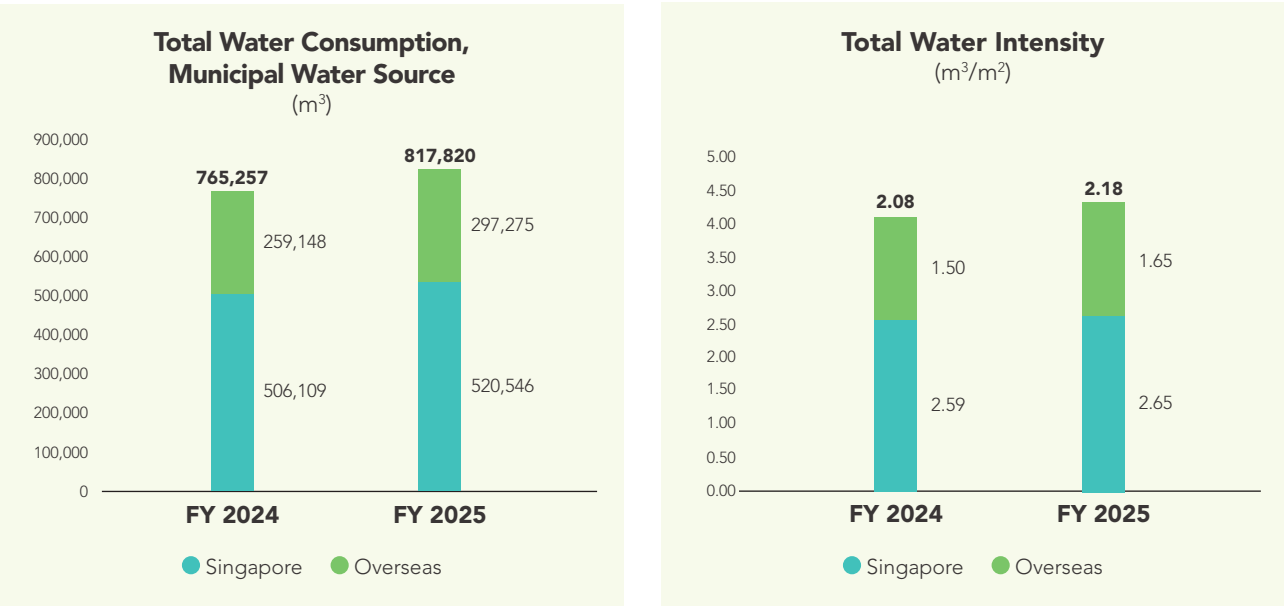
Recycling Water

Several of CDLHT’s properties endeavour to further reduce their water consumption by using recycled water and harvested rainwater. These have been used for landscaping and gardening purposes at W Singapore – Sentosa Cove, The Halcyon and Angsana Velavaru.

Performance

In FY 2025, we experienced an increase in overall water consumption and water intensity across the entire portfolio. CDLHT will continue to manage its water consumption responsibly across the portfolio and reach our long-term targets.

Water Consumption⁽¹⁷⁾



Financial Year	FY 2024	FY 2025
Total Water Consumption (m³)	765,257	817,820
Water Consumption Intensity (m³/m²)	2.08	2.18

Total Water Consumption, Municipal Water Source (m³)

Financial Year	Singapore	Overseas	All Properties
2024	506,109	259,148	765,257
2025	520,546	297,275	817,820

Total Water Intensity (m³/m²) ⁽¹⁸⁾

Financial Year	Singapore	Overseas	All Properties
2024	2.59	1.50	2.08
2025	2.65	1.65	2.18

Targets

We aim to achieve an aggregate reduction of 2% to 7% in water consumption (or corresponding intensity) by FY 2026, with FY 2019 as our comparative baseline. In 2019, CDLHT’s water intensity was 2.50 m³/m². While we noted a slight increase in water consumption and intensity compared to the previous year, we have achieved an overall 12.8% reduction in water intensity compared to the FY 2019 baseline. We will continue working towards achieving our aggregated target by FY 2026.

(17) Further information can be found under our material topic on Water Stewardship.
(18) Total water consumption intensity is defined as the total water consumption (m³) divided by the Gross Floor Area (m²).

SUSTAINABILITY REPORT

Waste Management

Effective waste management has become an increasingly important focus for governments and organisations globally. Within the hospitality sector, waste generation, particularly food waste, represents a material environmental and operational challenge. If not managed appropriately, waste can pose escalating environmental impacts and financial risks. CDLHT recognises its responsibility as a stakeholder in the hospitality industry to implement proactive measures that reduce waste generation, improve resource efficiency and support a culture of sustainability across its portfolio.

Approach

At CDLHT, we are committed to minimising waste generation by adopting sustainable waste management practices. Since FY 2021, CDLHT has been collecting and reporting waste performance data across its hotel portfolio to strengthen oversight and inform continuous improvement. At the property level, hotels implement a range of initiatives to reduce overall waste output, enhance waste segregation and increase recycling rates.

Waste Reduction

Most hotels utilise waste digesters and food composters to safely compost waste, thereby reducing the volume of our waste output. Our hotels are increasingly adopting reusable materials across all hotel functions.

Actions across properties

- Orchard Hotel, Grand Copthorne Waterfront Hotel, Copthorne King’s Hotel, M Hotel, Studio M Hotel, Hilton Cambridge City Centre, The Lowry Hotel and Pullman Hotel Munich have on site food digesters. Food digesters convert 100% of food waste into water, reducing the amount of waste that either goes to landfill or incineration.
- Across the portfolio, hotels have transitioned away from single-use plastics in food and beverage operations, in line with our waste reduction objectives.
- All hotels have replaced single-use plastic bathroom amenities by installing shampoo and soap dispensers as alternatives to individual bottles, reducing plastic waste.
- At our Sponsor group, Orchard Hotel, the hotel collects waste data and reviews this information regularly to monitor waste volumes and disposal methods. In alignment with the Singapore Hotel Association’s Plastic-Free Pledge, the hotel has also eliminated in-room single-use plastics by replacing small amenity bottles with large dispensers and reducing PET bottle consumption by over 94% through the installation of in-room water dispensers. For F&B and events, water is served in glassware, and all consumables are eco-friendly, where takeaway containers are made from renewable materials to minimise environmental impact.

Waste Segregation and Recycling

Across the portfolio, most hotels segregate waste at the source prior to collection as a fundamental component of their recycling processes. Waste is segregated by material type, including paper, plastic, and glass, and the quantities recycled are tracked and reported monthly. This data supports CDLHT’s waste management systems by enabling the analysis of waste streams by category and identifying opportunities for improvement.

Recognising the importance of awareness and behavioural change in reducing waste, hotels implement staff-focused food waste reduction and recycling programmes covering materials such as paper, glassware and plastics. These initiatives are supported by cross-functional collaboration among the Housekeeping, Food and Beverage, and Engineering teams, reinforcing environmentally responsible practices across operations.

Actions across properties

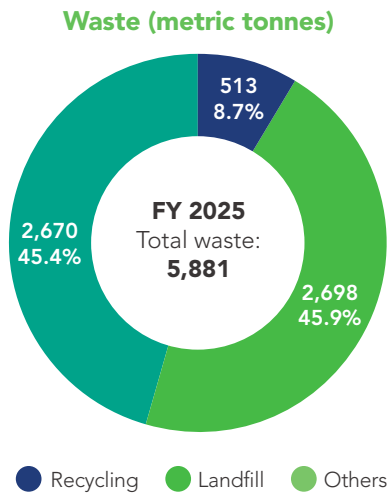
- More than 90% of the hotels have on-site waste segregation facilities to support recycling and reduce landfill disposal. At The Lowry Hotel, a new waste management provider with enhanced post-collection capabilities was appointed, enabling waste to be tracked by weight and disposal method through an online portal. This supports better analysis, continuous improvement, and progress towards circular economy objectives.
- W Singapore – Sentosa Cove recycles and reuses wet waste for landscaping purposes after composting and is enrolled in the Food Waste Recycling Programme at Sentosa Cove Village.
- The Halcyon has been operating a biogas plant since August 2022, converting food waste into gas for use in the kitchen. Additionally, the hotel also utilises recycled materials from the hotel and island’s generated waste to operate its organic garden.
- Angsana Velavaru started operating a food composter in the third quarter of 2022, generating a daily average of 80kg of compost for use throughout the resort. The hotel has also implemented a Reduce, Reuse and Recycle policy to advocate for waste reduction, including reusable glass bottles and dispensers and onsite. The hotel also invests in biodegradable items including garbage bags and cling film to reduce plastic footprint.
- Hilton Cambridge City Centre implemented its #RefuseTheStraw initiative, curbing single-use straws on its premises by shifting towards biodegradable straws. The use of biodegradable straws is aimed at protecting our oceans and ultimately reducing plastic use and pollution.
- Hilton Cambridge City Centre and W Singapore – Sentosa Cove have implemented a Self-Bottling System to replace guest drinking plastic water bottles with recyclable glass water bottles.
- Hilton Cambridge City Centre displays the carbon footprint of food and drinks on the menus of the Restaurant, Lounge Bar, and Room Service.
- At the MyStays Hotel Kamata, separate waste bins have been installed at the lobby to encourage proper waste segregation. Guests on the eco-plan or long-term stays are encouraged to take the initiative to dispose their waste directly. This programme has successfully enhanced eco-awareness amongst guests and significantly reduced the cleaning workload of the housekeeping staff.

SUSTAINABILITY REPORT

Performance

We are in the process of expanding our formal waste data collection systems across our properties to ensure data can be captured and tracked more effectively. This will also help us to eventually better manage and reduce the waste generated. As a result, waste generation numbers have increased and are expected to continue increasing over time as more of our portfolio is scoped in.

As CDLHT’s portfolio operates within the hospitality industry, waste is generated only from non-hazardous sources, including paper, glass, and food.



Financial Year	FY 2025 (metric tonnes)
Recycling	513
Landfill	2,698
Others	2,670
Total waste	5,881

Waste by Type and Disposal Method for FY 2025

Disposal Method	In Singapore	Overseas	All Properties
	Total Weight of Non-Hazardous Waste	Total Weight of Non-Hazardous Waste	Total Weight of Non-Hazardous Waste
	(Metric Tonnes)		
Recycling	80	433	513
Landfill	1,128	1,570	2,698
Others	2,076	594	2,670
Total waste	3,284	2,597	5,881

Targets

Last year, we set a target to remove single-use plastic in F&B operations for 100% of our hotel portfolio in FY 2025. We are pleased to report that this initiative has been successfully implemented. Building on this progress, we remain focused on further reducing waste across our portfolio properties. We continue to monitor and manage food waste through dedicated food management systems targeting buffet operations to optimise portioning and minimise excess. Through ongoing engagement with stakeholders, we are committed to making our hospitality offerings more environmentally responsible while maintaining the high-quality guest experience we strive to deliver.

ENABLING INCLUSIVENESS, SAFETY, GROWTH AND RESPONSIBLE PARTNERSHIPS

At CDLHT, we recognise that long-term value creation is people-centred and partnership-driven. Under this pillar, we remain steadfast in strengthening employee engagement and talent management—including continuous training and development—while fostering diversity, inclusion and equal opportunity across our workforce. We are uncompromising on health and safety, promoting a culture of care that safeguards our people and guests. Beyond our teams, we deepen stakeholder impact through purposeful community engagement, and extend our commitments through responsible partnerships—progressively embedding green clauses, advancing a more sustainable supply chain, and upholding fair labour and human rights. Together, these priorities reinforce our resilience, trust, and sustainable performance across the portfolio.

Key Materials Topics & Performance Highlights

Material Topics

- Employee Engagement and Talent Management
- Diversity and Equal Opportunity
- Health and Safety
- Stakeholder Impact and Community Engagement
- Supply Chain Management

Key Performance Highlights

OVER 60
corporate and social responsibility activities in FY 2025 by portfolio properties

ZERO
work-related fatalities recorded in FY 2025

51%
of permanent staff were female in FY 2025

An average of **18.7 training hours** per employee in FY 2025

Relevant UN SDGs:

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

SUSTAINABILITY REPORT

Employee Engagement and Talent Management
At CDLHT, our performance is underpinned by a dedicated and capable workforce. We place strong emphasis on the continuous training and development of our employees to cultivate a resilient, competitive, and future-ready organisation. As societal expectations and industry requirements evolve, new job demands and skillsets continue to emerge. In response, we encourage our operators to continually enhance their training offerings and provide learning opportunities beyond mandatory requirements, enabling employees to refresh and expand their skills, pursue long-term career development, and contribute meaningfully to business performance.

Across our portfolio, CDLHT is committed to providing a safe, inclusive, and engaging working environment that supports employee wellbeing, development, and retention. To support these objectives, our hotels in Singapore have implemented a range of policies and practices, including:

- Diversity Policy
- Fair and merit-based employment and recruitment practices
- Policies on performance evaluation and career development
- Tripartite Alliance for Fair and Progressive Employment Practices
- Fair and competitive remuneration based on merit

CDLHT is also committed to maintaining robust data collection and internal control systems, and has implemented internal controls to strengthen data integrity and reduce discrepancies in workforce related information. In addition, the Managers’ office and The Lowry Hotel uphold fair employment standards and competitive, merit based remuneration in compliance with relevant labour regulations in the jurisdictions in which they operate.

Approach

CDLHT places strong emphasis on employee engagement throughout the employment lifecycle, from onboarding to ongoing engagement with long-serving employees. Human resource policies at both the Managers’ office and The Lowry Hotel provide structured frameworks and communication channels to effectively support employee needs.

We recognise that employee development and thoughtful job design are key drivers of satisfaction, motivation, and engagement. Accordingly, hotel HR policies are designed to foster a supportive and inclusive work environment that enables continuous learning, internal mobility, and cross-functional exposure. An example is at Orchard Hotel Singapore, where a comprehensive suite of employee engagement and wellness initiatives was implemented to strengthen appreciation, well-being, continuous learning, and community involvement. This included having dedicated staff recognition days and themed celebrations to boost morale and acknowledge contributions. At The Lowry Hotel, Long Service Awards and Employee of the Month are also celebrated to recognise the efforts that our employees have placed. These initiatives ensure employees remain motivated, engaged, and well-equipped to navigate diverse career pathways within the organisation.

Ongoing training and development form an integral part of CDLHT’s broader employee engagement strategy and reinforce our commitment to workforce capability-building.

Employee Well-being

We actively engage our employees to foster an inclusive and supportive workplace. Employee feedback is gathered through regular staff dialogues to provide insights into key areas of concern and improvement. Structured engagement is conducted at key stages of the employee lifecycle, including onboarding discussions to support integration into new roles and work environments, as well as exit interviews to gather feedback and address any outstanding issues upon an employee’s departure.

At the Managers’ office, an employee handbook is provided to all staff, setting out policies and procedures relating to employment, performance evaluation and development. The handbook also serves as a reference for employee benefits, including medical coverage. In line with progressive workplace practices, the Managers adopt flexible work arrangements that support a hybrid model of working from both the office and home, in accordance with Singapore’s Tripartite Guidelines on Flexible Work Arrangements.

To promote employee wellbeing and engagement, staff at the Managers’ office are automatically enrolled in the Hong Leong Group Sports & Recreation Club, which organises a range of social, sporting and interest based activities to encourage team bonding. In addition, the Sponsor group extends benefits to employees of the Managers and hotel staff, including dining privileges and discounted accommodation at selected hospitality properties.

Across the portfolio, properties implement initiatives that support employees’ mental and physical wellbeing, reinforcing CDLHT’s commitment to caring for its workforce and fostering a positive work environment.

Continuous Training, Development and Upskilling

CDLHT adopts a structured and holistic approach to employee training, development, and upskilling to build a capable, motivated, and future-ready workforce. At the managerial level, a formal performance management process, comprising mid-year discussions and year-end appraisals, provides structured feedback on performance, career progression, and development needs. Role-specific Key Performance Indicators are established and communicated in advance to support continuous performance improvement.

Across our properties, talent development is supported by a strong culture of continuous learning. Our Sponsor group, Hilton, Marriott, and Accor, implement structured talent management frameworks that include workforce planning, succession planning, and the development of internal talent pipelines. These frameworks enable the proactive identification of critical roles and competencies, supporting leadership development, business continuity, and organisational resilience.

Early-career capability building is supported through graduate apprenticeship programmes for fresh graduates and entry-level employees. These programmes combine structured learning, mentorship, and on-the-job training to equip participants with practical skills while contributing to daily operations.

The relevant HR department across the properties or operators’ level oversee comprehensive onboarding, mandatory training, and ongoing training needs analyses to identify skills gaps and development priorities. Heads of Departments (“HODs”) nominate employees for relevant training, which is delivered through a mix of in-house programmes, HOD-led sessions, and external training providers. In addition, our hotels collaborate with educational institutions to deliver targeted training programmes aligned with industry standards, best practices, and emerging workforce needs.

Job Redesign

At CDLHT, we recognise the value of equipping hotel employees with cross-functional capabilities to enhance workforce agility, support talent retention, and diversify skill sets. To this end, Orchard Hotel and W Singapore – Sentosa Cove have implemented Job Redesign initiatives to enhance employee efficiency, adaptability, and resourcefulness through structured cross-functional training.

These initiatives are aligned with broader workforce transformation efforts supported by the Singapore government. In support of this national agenda, CDLHT actively engages with relevant government agencies to facilitate and encourage employee participation in Job Redesign-related training programmes, enabling employees to acquire new competencies while strengthening organisational resilience.

Performance

In FY 2025, the Managers’ office and The Lowry Hotel employed a total of 239 staff with a mix of 49.8% male and 50.2% female. 113 employees left us, of whom 2% were from the Managers’ office and 98% were from The Lowry Hotel, while 106 newly joined, of whom 4% were for the Managers’ office and 96% were for The Lowry Hotel. As a result, our total rates of new hire employment and turnover were 46% and 48% respectively.

New Employee Hires and Turnover for FY 2025

	The Managers’ office			The Lowry Hotel		
	Male	Female	Total	Male	Female	Total
Employee Count	12	17	29	107	103	210
Number of New Employee Hires	3	1	4	66	40	106
Rate of New Employee Hires (%)	25	6	14	62	39	50
Number of Employee Turnover	2	0	2	41	72	113
Rate of Employee Turnover (%)	16.7	0	7	38	70	54

We aim to continuously work with the hotel managers within our direct control to minimise staff turnover rate and retain talent within our portfolio.

This year, employees at The Managers’ Office and The Lowry Hotel completed an average of 18.7 hours of training per person, reflecting our commitment to continuous learning and professional development. Our training programmes cover a wide range of topics ensuring that employees are equipped with the knowledge and skills needed to excel in their roles. By supporting structured learning opportunities, we aim to enhance employee capabilities, improve service quality, and support career progression within the organisation.

Average Training Hours for FY 2025

Number of Employees	The Managers’ office			The Lowry Hotel		
	Male	Female	Total	Male	Female	Total
Total number of employees	12	17	29	107	103	210
Total number of training hours provided to employees	81	63	144	1,423	2,892	4,315
Average training hours per employee	6.75	3.7	4.97	13.3	28.1	20.5

SUSTAINABILITY REPORT

Diversity and Equal Opportunity

Approach

As a global organisation operating across multiple jurisdictions, CDLHT is committed to promoting diversity, equal opportunity, and inclusion across all levels of the organisation. We strive to create a fair, respectful, and equitable working environment where employees are treated with dignity and provided with equal access to employment, development, and advancement opportunities, regardless of background or personal characteristics. This commitment is embedded in our diversity and non-discrimination policies, training programmes, and fair employment practices, and aligns with our approach to sustainable development and responsible workforce management.

At the Board level, the Boards of the Managers recognise that diversity is critical to effective governance and the achievement of CDLHT's strategic objectives for sustainable development. The Boards have adopted a Board Diversity Policy, which is publicly available on CDLHT's corporate website and sets out the framework for promoting diversity in Board composition.

CDLHT seeks to maintain Boards comprising Directors with a balanced mix of skills, qualifications, industry and business experience, gender, age, ethnicity, cultural and geographical background, nationality, and tenure. A diverse Board supports robust decision making by reducing groupthink and encouraging constructive challenge, thereby strengthening oversight and long term value creation.

Directors are appointed based on merit against objective criteria, with due consideration given to maintaining an appropriate balance of competencies and perspectives. The Nominating and Remuneration Committees of the Managers periodically review the Board Diversity Policy to ensure its continued relevance and effectiveness.

Through these workforce and leadership-level commitments, CDLHT seeks to foster an inclusive culture that supports employee wellbeing, enables individuals to reach their full potential, and strengthens governance outcomes, thereby supporting sustainable long-term organisational performance.

Performance

In FY 2025, 49% of our total permanent staff were male, and 51% were female, while 50.5% of our total temporary staff were male and 49.5% were female. The majority of the Managers and The Lowry Hotel employees are aged between 30 and 50 years, with those under 30 at 41.8% and 48.5%, respectively, attributable to the nature of our industry. We continuously strive to advance diversity and inclusion across our workforce, as they enable a more holistic, productive, and sustainable work culture.

Diversity and Inclusion Data for FY 2025

Number of Employees	The Managers' office			The Lowry Hotel		
	Male	Female	Total	Male	Female	Total
Permanent Staff	12	17	29	58	55	113
Temporary Staff	0	0	0	49	48	97

Number of Employees	The Managers' office	The Lowry Hotel
Aged <30 years	2	114
Aged between 30 – 50 years	22	78
Aged >50 years	5	18

The Managers also strive to maintain a board size of six members and have consistently maintained independence with at least two out of three or more members being independent over a 4-year period. The Directors are selected with the relevant expertise and experience that would complement those already on the Boards and for succession planning. In February 2025, a new independent director was appointed following the expiry of an independent director's nine-year term. Subsequently, upon the completion of another independent director's term in January 2026, an additional independent director was appointed.

Four out of the six of the Boards' members are independent, and one out of the six is below 50 years old in FY 2025. The Managers target to improve age diversity over a 4-year period by appointing younger directors aged 50 or below to further complement the Board's diversity. CDLHT currently has two female members in the Boards and has achieved its target to increase its female representation to at least 25% by FY 2025.

Targets

We remain committed to reflecting diversity across our workforce and hiring processes. We strive to encourage the diversity of our employees across management roles through continuous talent identification and development efforts, whilst honing our hiring plan to attract and retain a diverse workforce.

Health and Safety

CDLHT is committed to upholding high standards of workplace health and safety to support the safe and continuous operation of its portfolio. Singapore's Code of Practice on Chief Executives' and Board of Directors' Workplace Safety and Health Duties is embedded in the TOR of the BSCs. We prioritise the safety, health, and wellbeing of employees, recognising that a safe working environment is essential to maintaining service quality and guest satisfaction. CDLHT works closely with operators to implement and maintain robust safety protocols, ensuring that health and safety risks are effectively managed across operations.

Strong governance, supported by ongoing training and clear communication, underpins CDLHT's approach to Occupational Health and Safety ("OH&S"). Across the portfolio, OH&S policies apply to employees, visitors, and contractors and are designed to comply with all applicable regulatory requirements and workplace guidelines. Managerial staff, including managers and supervisors, are responsible for implementing and enforcing OH&S policies and for promoting a culture of safety within their respective properties. In addition, our properties such as Orchard Hotel Singapore strengthened their commitment to employee health, safety, and overall well-being through a series of structured programmes and preventive initiatives. These initiatives included Medical Screening Day, World Mental Health Day activities, fitness events such as the Community Chest Heartstrings Walk and Vertical Marathon, and ongoing health awareness campaigns to promote physical and mental wellness.

Approach

CDLHT oversees and monitors the health and safety measures implemented by the operators, who are responsible for complying with all relevant local regulations and establishing additional safety standards where necessary to safeguard employees and guests. As asset owner, CDLHT maintains regular engagement with the operators on health and safety matters, including regulatory compliance and the reporting of work-related incidents.

In the event of work-related injuries, the operators are required to report incidents and conduct reviews to identify associated hazards and implement corrective measures. This process supports continuous improvement in workplace safety and helps mitigate the risk of recurrence across the portfolio.

Conducting OH&S Risk Assessments

Workplace risk assessments are conducted across CDLHT's portfolio to systematically identify potential hazards and assess risks associated with specific roles, work activities, and equipment. These assessments enable the properties to identify higher risk tasks and implement appropriate control measures to protect employees.

Risk assessments cover both routine and non routine work activities and are carried out to prevent or mitigate workplace hazards before incidents occur. In addition, selected properties, such as the Orchard Hotel in Singapore, conduct risk assessments prior to introducing new equipment to identify potential safety risks that employees may encounter during operation and to ensure appropriate safeguards are in place.

Accreditation

We endeavour to obtain accreditation and certify our OH&S processes as it strengthens the properties management system and initiatives. Grand Copthorne Waterfront Hotel continue to be WELL Health-Safety certified. This underscores our dedication to creating safer, healthier environments for guests, employees, and stakeholders.

Performance

We are pleased to report that there were zero fatalities from work-related injuries in FY 2025.

Work-Related Injuries for FY 2025

Type of Work-Related Injury	
Number of Fatalities as a result of Work-Related Injury	0
Number of High-Consequence Work-Related Injury (excluding fatalities) ⁽¹⁹⁾	22
Number of Recordable Work-Related Injury ⁽²⁰⁾	146
Total Work-Related Injury	168
Number of Hours Worked	3,244,902

In FY 2025, the main types of work-related injuries that occurred were 1. Slips, Trips, and Falls, 2. Being Struck by Moving or Falling Objects, and 3. Falls from Height.

Targets

We continuously aim to have zero incidents of fatality or permanent disability and strive to minimise any work-related injuries. CDLHT will continue to engage its stakeholders, including the operators, to ensure that workplace health and safety measures are in place and upheld.

Stakeholder Impact and Community Engagement

Beyond their roles as commercial enterprises, our portfolio properties actively engage and support the diverse communities in which they operate. CDLHT views community involvement as integral to fostering goodwill and garnering support in the various localities where we do business. We strive to make positive contributions to society and uphold our responsibility as good corporate citizens.

(19) This category includes: Number of incidents exceeding three days of medical leave, incidents of hospitalisation, and/or permanent disabilities.
(20) This category includes: Number of incidents that required less than three days of medical leave, reportable incidents, and/or temporary disabilities.

SUSTAINABILITY REPORT

Performance

The local community remains a top priority for CDLHT. Throughout FY 2025, our properties participated in over 60 corporate and social responsibility activities, both organised by our own properties and in collaboration with external organisers. These activities included volunteering initiatives, fundraising campaigns and information sessions in our properties’ local communities. Our key focus areas remain education, health, and environmental awareness.

Lighting the Path to Sustainability: Our Partnership with 60 Lights



CDLHT and the Managers are delighted to support the 60 Lights One Future campaign (“**60 Lights**”) organised by Peace of Art SG (“**POA**”). By devoting time to campaign and raise funds as well as assisting POA to secure the venue for recognition ceremony, participation in this carbon-neutral initiative reaffirms CDLHT’s pledge to champion ESG and support projects that create lasting value not only for our stakeholders but for society at large.

60 Lights is a testament to the belief that progress thrives on partnership and collaboration. In total, POA, with the assistance of CDLHT, sponsors and supporters raised \$468,534 with all proceeds donated to support the children of the Singapore Red Cross Young Hearts Programme.

As part of the 60 Lights recognition ceremony on 31 January 2026, the Managers’ employees and families were invited to an educational tour at the Singapore Oceanarium in Resorts World Sentosa, reflecting CDLHT’s commitment to fostering a sense of shared purpose among its people and the broader community.

Looking ahead, CDLHT remains committed to build partnerships that create positive environmental and social outcomes.

Collaboration with MoNo Foods



In 2025, the Managers collaborated with MoNo Foods, a Singapore-based social enterprise focused on reducing food waste through education and the redistribution of surplus food that remains safe for consumption. Working with suppliers and partners, MoNo Foods diverts surplus and near-expiry food from disposal while raising awareness of food waste through community outreach and educational programmes.

During the year, CDLHT supported MoNo Foods by providing space at Claymore Connect, which was used as a sustainability education and engagement hub for food redistribution activities, public education, and workshops with schools and corporate groups. The collaboration also included food donation drives and engagement sessions in Jalan Besar Precinct, as well as opportunities for CDLHT employees to participate in selected community activities. Overall, the partnership supported CDLHT’s sustainability objectives by promoting responsible consumption, reducing food waste, and strengthening community engagement.



Tree Planting – Creating Nature’s Corridors

As part of its community and environmental engagement efforts, the Hilton Cambridge City Centre team participated in a tree-planting activity at Huntingdon Racecourse. Eight team members took part in the initiative, collectively planting more than 400 trees to support biodiversity enhancement and contribute to long-term environmental sustainability. The activity reflects the hotel’s ongoing commitment to engaging employees in practical, locally relevant actions that support nature-positive outcomes and the wider community.

SUSTAINABILITY REPORT

Island Initiatives

At Angsana Velavaru which is located at Velavaru Island in the Maldives, the resort is heavily involved in the community and the cleaning up of the surrounding island. This involves both island and reef clean-up initiatives. The island-wide clean-up programs are conducted in collaboration with associates and community members. These efforts focus on the responsible collection and disposal of waste, promoting environmental stewardship, enhancing awareness of proper waste management, and supporting a clean and healthy island ecosystem. In addition, the reef clean-up activities are carried out in surrounding marine areas to remove debris that poses risks to coral reefs and marine life. This initiative contributes to marine conservation, increases awareness of ocean pollution, and helps safeguard biodiversity within the local marine environment.

Aligning with CDLHT’s priority of contributing to the local communities and the environment, Angsana Velavaru continues to engage with the local communities in Maldives through various initiatives, including resort tours for the local school students, providing water irrigation support to local schools, building a hydroponic garden for local schools, and offering training opportunities for local school students in the hospitality sector.

Resort Educational Tours for Local School Students

The resort facilitated structured educational visits for local school students, offering firsthand exposure to hospitality operations, sustainability practices, and potential career pathways. These tours aim to inspire and engage students through real world learning experiences and direct interaction with industry professionals.

Water Irrigation Support for Local Schools

The resort is providing water irrigation assistance to local schools to enhance landscaping and gardening activities. This support encourages efficient water use and helps maintain sustainable green spaces within school grounds.

Hydroponic Garden Development for Local Schools

A hydroponic gardening system is being established at the local school to introduce students to sustainable agriculture and modern food production techniques. The project fosters hands on learning, builds awareness of food security, and promotes environmental sustainability.

Departmental Training Program for Local Students

Structured training opportunities are offered to local school students across various resort departments. This program develops the student’s practical competencies, strengthens workplace readiness, and supports long term capacity building for future careers in hospitality and related industries.

Extensive Community Involvement

M Hotel Singapore continued to strengthen its commitment to community engagement and youth development through a range of structured learning and outreach initiatives. These efforts focused on creating meaningful learning experiences while supporting community partners through sustained participation in social programmes.

As part of its learning initiatives, the hotel hosted students from Republic Polytechnic for an industry learning session, providing exposure to hospitality operations, career pathways, and insights into the wider Group. This engagement aimed to support early talent development by offering practical perspectives on the hospitality sector.

Beyond education, the hotel actively participated in a variety of community programmes in collaboration with sister properties, corporate teams, and community partners. These initiatives included supporting festive goodie bag packing for vulnerable communities, contributing to charity events through volunteering and fundraising activities, and engaging with children’s homes through meal sponsorships and interactive sessions. Collectively, these efforts reflect the hotel’s ongoing commitment to supporting social well-being and building stronger community connections.

Targets

In FY 2025, we surpassed the original target of at least 15 community and social events, ending the year with over 60 corporate social responsibility activities conducted across our properties globally.

Supply Chain Management

Responsible supply chain management, including protection of human rights are critical to CDLHT’s long-term resilience, risk management, and value creation. We recognise that unmanaged supply chain and labour risks can have significant social, environmental, operational, and reputational implications. Proactive management supports business continuity, regulatory compliance, stakeholder trust, access to sustainable financing, and the wellbeing of employees, guests, and communities.

Approach

CDLHT’s approach to responsible supply chain management and human rights is underpinned by strong governance, contractual oversight, and ongoing engagement with operating partners. CDLHT influences procurement and workforce practices through governance frameworks, lease provisions, and engagement with the operators, tenants, and business partners. Responsible sourcing and respect for human rights are therefore integral to portfolio resilience, stakeholder confidence, and long term value creation.

CDLHT is committed to responsible business conduct across its operations and relationships, including upholding human rights, promoting fair and safe working conditions, and addressing unjust workplace practices. CDLHT recognises the broader impacts of its activities and partnerships and seeks to identify, mitigate, and manage potential adverse social impacts across its portfolio.

Supply chain practices are implemented primarily through the operators and tenants, supported by governance oversight and partner engagement. Supplier engagement and vendor assessments are led by the operators in line with their respective policies, complemented by regular dialogue with business partners to promote responsible sourcing, strengthen due diligence, and prevent unfair labour practices and human rights violations.

Green Supply Chain Management

CDLHT recognises that building a green and sustainable supply chain is an important lever in advancing its decarbonisation efforts. Although CDLHT does not exercise direct operational control over supplier and vendor selection at the property level, we acknowledge the influence of sustainable procurement in reducing environmental impacts within the value chain. In line with our commitment to responsible business conduct, CDLHT will continue to explore opportunities to encourage the adoption of greener supply chain standards through engagement with operators and business partners.

Human Rights

CDLHT is committed to upholding human rights principles across its portfolio and expects its operators, lessees, and business counter-parties to adhere to applicable employment laws and maintain ethical recruitment and employment practices within their respective operations. Operators and lessees are expected to establish appropriate HR policies that ensure a safe, healthy, and respectful working environment for employees, in compliance with relevant legal and regulatory requirements in each jurisdiction.

CDLHT recognises that procurement decisions made across its portfolio have environmental and social implications, and that sustainable sourcing can contribute meaningfully to impact reduction. In this regard, CDLHT encourages its operators and lessees to adopt a selective and responsible approach to supplier appointment, including screening processes designed to assess credibility and alignment with responsible business conduct expectations. CDLHT continues to explore opportunities to promote the adoption of greener supply chain standards across its portfolio through engagement with its operators and lessees.

This approach supports both environmental sustainability and the protection of labour and human rights across CDLHT’s portfolio and business relationships. By integrating environmental and social considerations into supplier selection and engagement processes, CDLHT seeks to strengthen the foundation of a responsible, ethical, and resilient supply chain.

Green Clauses

To further advance sustainability across its portfolio, CDLHT has begun incorporating green clauses into selected operational agreements, with the aim of progressively broadening their adoption over time. These contractual provisions are intended to better align the sustainability objectives of CDLHT, operators, and tenants, complementing ongoing collaboration with portfolio properties on environmental initiatives and formalising a shared commitment to sustainable practices. Green clauses support CDLHT’s broader sustainability

strategy by enhancing resource efficiency, reducing carbon emissions, and encouraging responsible business conduct among operators and tenants.

Through these arrangements, operators and tenants are encouraged to participate in initiatives such as meeting minimum equipment efficiency requirements, adhering to lighting power budgets in line with BCA Green Mark standards, and adopting other sustainability-related practices. Proactive engagement and shared accountability foster a strong culture of sustainability that delivers benefits for operators and tenants, the wider community, and the environment.

In addition, operators and/or tenants also provide relevant data and reports to support regulatory compliance and sustainability monitoring, enabling greater transparency and accountability in tracking environmental performance and progress towards CDLHT’s sustainability goals.

As a recent example of this approach in practice, green clauses have been incorporated into the new lease agreement for the Grand Millennium Auckland.

Performance

In FY 2025, we had zero cases of forced or labour violations throughout our operations and suppliers.

Case Study

Effective supply chain screening underpins our responsible sourcing practices. At Hotel Indigo Exeter, prospective suppliers are subject to a due diligence and qualification process prior to engagement to ensure alignment with commercial, ethical, and ESG requirements. Environmental screening includes the review of sustainability credentials such as EcoVadis assessments, environmental policies, carbon reduction planning, and recognised certifications including ISO 14001 and B Corp. Social and ethical criteria cover compliance with Modern Slavery legislation, labour and health and safety standards, and anti-bribery and corruption requirements. All suppliers are also required to comply with the Sodexo Supplier Code of Conduct, supporting ongoing alignment with legal, ethical, and sustainability expectations.

SUSTAINABILITY REPORT

GRI CONTENT INDEX

GRI Standard	Disclosure		SR Page Reference
General Disclosures			
GRI 2: General Disclosures 2021	The organization and its reporting practices		
	2-1	Organisational details	100
	2-2	Entities included in the organization’s sustainability reporting	100
	2-3	Reporting period, frequency, and contact point	100
	2-4	Restatements of Information	There were no restatements reported in FY 2025
	2-5	External assurance	100
	Activities and Workers		
	2-6	Activities, value chain and other business relationships	100
	2-7	Employees	133 - 134
	2-8	Workers who are not employees	133 - 134
	Governance		
	2-9	Governance structure and composition	102
	2-10	Nomination and selection of the highest governance body	135
	2-11	Chair of the highest governance body	
	2-12	Role of the highest governance body in overseeing the management of impacts	102
	2-13	Delegation of responsibility for managing impacts	102
	2-14	Role of the highest governance body in sustainability reporting	102
	2-15	Conflicts of interest	
	2-16	Communication of critical concerns	106 - 107
	2-17	Collective knowledge of the highest governance body	102
	2-18	Evaluation of the performance of the highest governance body	135
	2-19	Remuneration policies	161, 163 - 166
	2-20	Process to determine remuneration	161, 163 - 166
	2-21	Annual total compensation ratio	165
	Strategy, policies, and practices		
	2-22	Statement on sustainable development strategy	99
	2-23	Policy commitments	114 - 115
	2-24	Embedding policy commitments	114 - 115
	2-25	Processes to remediate negative impacts	102, 114 - 115, 117 – 121
	2-26	Mechanisms for seeking advice and raising concerns	114 – 115
	2-27	Compliance with laws and regulations	114 - 115
	2-28	Membership associations	106 - 107, 111 - 112
	Stakeholder engagement		
	2-29	Approach to stakeholder engagement	106 - 107
GRI 3: Material Topics 2021	3-1	Process to determine material topics	103 - 104
	3-2	List of material topics	103 - 104

GRI Standard	Disclosure		SR Page Reference
Responsible Investment and Sustainable Value			
Economic Performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	109
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	109
Responsible Investment			
GRI 3: Material Topics 2021	3-3	Management of material topics	110
Quality, Sustainable Products and Services			
GRI 3: Material Topics 2021	3-3	Management of material topics	110-112
Good Governance and Ethical Business			
Corporate Governance			
GRI 3: Material Topics 2021	3-3	Management of material topics	114 - 115
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	114 - 115
	205-3	Confirmed incidents of corruption and actions taken	114 - 115
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	114 - 115
Cybersecurity and Data Privacy			
GRI 3: Material Topics 2021	3-3	Management of material topics	115 - 116
Climate Resilience and Environmental Stewardship			
Climate Action and Energy Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	117 - 125
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	118
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	123 - 124
	305-2	Energy indirect (Scope 2) GHG emissions	123 - 124
	305-3	Other indirect (Scope 3) GHG emissions	123 - 124
	305-6	Emissions of ozone-depleting substances (ODS)	N/A as CDLHT does not emit ODS in its operations.
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	N/A as CDLHT does not emit NOx or SOx in its operations.
GRI 305: Emissions 2016	302-1	Energy consumption within the organization	126
	302-2	Energy consumption outside of the organization	126
	302-4	Reduction of energy consumption	126
Water Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	127 - 128
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	127
	303-3	Water withdrawal	128

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GRI Standard	Disclosure		SR Page Reference
Waste Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	129 - 131
GRI 306: Waste 2020	306-3	Waste generated	131
	306-4	Waste diverted from disposal	131
	306-5	Waste directed to disposal	131
People and Community Development			
Employee Engagement and Talent Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	133 - 134
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	134
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	3-3	Management of material topics	135
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	135
Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	136
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	136
	403-2	Hazard identification, risk assessment, and incident investigation	136
	403-3	Occupational health services	136
	403-5	Worker training on occupational health and safety	136
	403-6	Promotion of worker health	136
	403-9	Work-related injuries	136
Stakeholder Impact and Community Engagement			
GRI 3: Material Topics 2021	3-3	Management of material topics	137 - 139
Supply Chain Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	139 - 140
Human Rights			
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	140

SASB INDEX

Topic	SASB Code	Accounting Metric	Unit of Measure	Disclosure
Energy Management	IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property sector	Percentage (%) by floor area	100%
	IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage,	Megawatt hour (MWh)	116,602.92
		(2) Percentage grid electricity, and	Percentage (%)	84%
		(3) Percentage renewable, by property sector		16%
	IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	Percentage (%)	(2.08%)
	IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and	Percentage (%) by floor area	72%
		Percentage of eligible portfolio that (2) is certified to ENERGY STAR, by property sector		N/A as CDLHT does not have properties in the US
	IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	N/A	Page 133 - 135
Water Management	IF-RE-140a.1	Water withdrawal data coverage as a percentage of (1) total floor area and	Percentage (%) by floor area	100%
		Water withdrawal data coverage as a percentage of (2) floor area in regions with High or Extremely High Baseline Water Stress, by property sector		Data unavailable
	IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage and	Thousand cubic meters (m³)	817,820.83
		(2) Percentage in regions with High or Extremely High Baseline Water Stress, by property sector	Percentage (%)	Data unavailable
	IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector	Percentage (%)	6.87%
	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	n/a	Page 137 - 138
Management of Tenant Sustainability Impacts	IF-RE-410a.1	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and	Percentage (%) by floor area	N/A as CDLHT does not report on tenants or tenant area
		(2) Associated leased floor area, by property sector	Square feet (ft.)	
	IF-RE-410a.2	Percentage of tenants that are separately metered or sub-metered for (1) grid electricity consumption; and	Percentage (%) by floor area	
		(2) water withdrawals, by property sector		
	IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	n/a	
Climate Change Adaptation	IF-RE-410a.3	Area of properties located in 100-year flood zones, by property sector	Square feet (ft.)	Data unavailable
	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	n/a	Page 124 - 130

SUSTAINABILITY REPORT

Activity Metric	SASB Code	Unit of Measure	Disclosure
Number of assets, by property sector	IF-RE-000.A	Number	19 properties
Leasable floor area, by property sector	IF-RE-000.B	Square feet (ft.)	375,609
Percentage of indirectly managed assets, by property sector	IF-RE-000.C	Percentage (%) by floor area	N/A as SASB defines "indirectly managed assets" as solely based on landlord/ tenant relationship
Average occupancy rate, by property sector	IF-RE-000.D	Percentage (%)	77.40%

CLIMATE-RELATED DISCLOSURES CONTENT INDEX

The following table indicates our disclosures against the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations.

TCFD Recommendations		Page
Governance		
1 (a)	Describe the board's oversight of climate-related risks and opportunities.	118
1 (b)	Describe management's role in assessing and managing climate-related risks and opportunities.	118
Strategy		
2 (a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	118
2 (b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	119 - 120
2 (c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	119 - 120
Risk Management		
3 (a)	Describe the organisation's processes for identifying and assessing climate-related risks.	120
3 (b)	Describe the organisation's processes for managing climate-related risks.	122 - 123
3 (c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	122 - 123
Metrics and Targets		
4 (a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	124 - 126
4 (b)	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks).	124 - 126
4 (c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	124 - 126

Independent Third Party Limited Assurance Statement

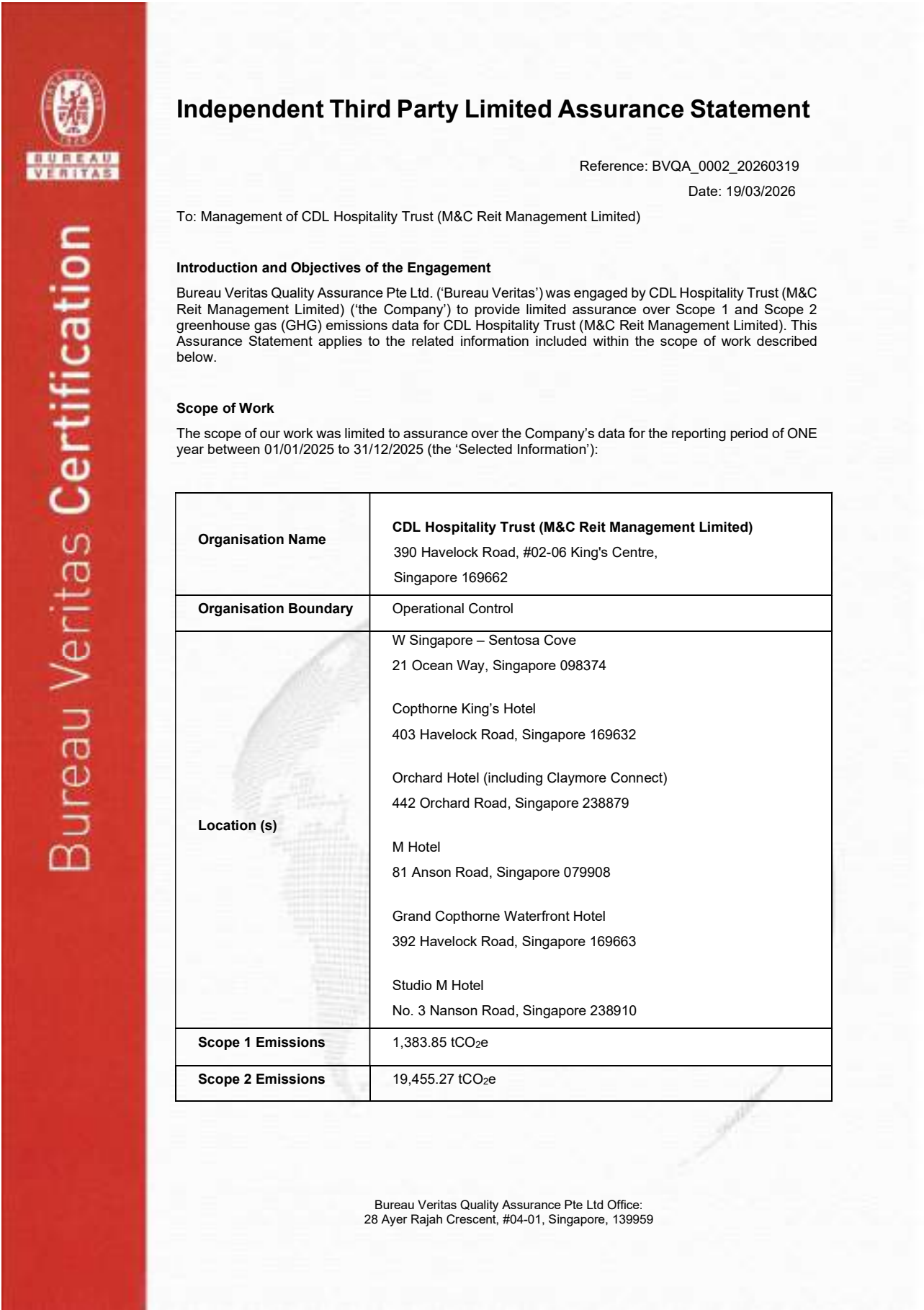
Reference: BVQA_0002_20260319
Date: 19/03/2026
To: Management of CDL Hospitality Trust (M&C Reit Management Limited)

Introduction and Objectives of the Engagement
Bureau Veritas Quality Assurance Pte Ltd. ('Bureau Veritas') was engaged by CDL Hospitality Trust (M&C Reit Management Limited) ('the Company') to provide limited assurance over Scope 1 and Scope 2 greenhouse gas (GHG) emissions data for CDL Hospitality Trust (M&C Reit Management Limited). This Assurance Statement applies to the related information included within the scope of work described below.

Scope of Work
The scope of our work was limited to assurance over the Company's data for the reporting period of ONE year between 01/01/2025 to 31/12/2025 (the 'Selected Information'):

Organisation Name	CDL Hospitality Trust (M&C Reit Management Limited) 390 Havelock Road, #02-06 King's Centre, Singapore 169662
Organisation Boundary	Operational Control
Location (s)	W Singapore – Sentosa Cove 21 Ocean Way, Singapore 098374 Copthorne King's Hotel 403 Havelock Road, Singapore 169632 Orchard Hotel (including Claymore Connect) 442 Orchard Road, Singapore 238879 M Hotel 81 Anson Road, Singapore 079908 Grand Copthorne Waterfront Hotel 392 Havelock Road, Singapore 169663 Studio M Hotel No. 3 Nanson Road, Singapore 238910
Scope 1 Emissions	1,383.85 tCO ₂ e
Scope 2 Emissions	19,455.27 tCO ₂ e

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Reporting Criteria

The Selected Information had been prepared in accordance with GHG Protocol Corporate Accounting and Reporting Standard (2004 Revised Edition), including its requirements and guidance for the quantification and reporting of organisational-level greenhouse gas emissions.

Limitation and Exclusions

Excluded from the scope of our work is verification of any information relating to:

- Activities outside the defined verification period, and
- Other information included in the report.

This limited assurance engagement relies on a risk-based sample of the Selected Information, which has its limitations. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

CDL Hospitality Trust (M&C Reit Management Limited) Responsibilities

- Identification of all sources of GHG emissions.
- Selecting and establishing suitable criteria for preparing the selected information subject to our limited assurance.

Bureau Veritas was responsible for:

- Provide independent verification on the accuracy of the selected information submitted in client's information management system
- Form an independent conclusion based on the assurance procedures performed and evidence obtained.
- Report our conclusions to the management of CDL Hospitality Trust (M&C Reit Management Limited)

Assessment Standard

We performed verification of greenhouse gas emissions calculated in accordance with GHG Protocol and ISAE 3000 - International Standard on Assurance Engagement. A materiality threshold of ±5 percent was set for the assurance process.

Methodology and Summary of Work

As part of our independent verification, our work included:

- Assessed the appropriateness of the Reporting Criteria for the Selected Information;
- Conducted interviews with relevant personnel of the Company;
- Carried out detailed off-site review of data from the Company sites;
-

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Bureau Veritas Certification

- Reviewed the data collection and consolidation processes used to compile the Selected Information, including assessing assumptions made, the data scope and reporting boundaries;
- Reviewed documentary evidence produced by the Company;
- Agreed a sample of the Selected Information to the corresponding source documentation; and
- Re-performed aggregation calculations of the Selected Information.

Conclusion

Based on the scope of work, nothing came to our attention to suggest that:

- The Selected information is not fairly represented; and
- Any material errors or misstatements identified during the assurance engagement were corrected prior to this Statement being issued.

It is our opinion that the Company has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

Statement of Independence, Impartiality and Competence

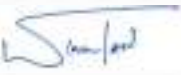
Bureau Veritas is an independent professional services company that specializes in quality, environmental, health, safety and social accountability with over 190 years history. The company operates a certified Quality Management System which complies with the requirements of ISO 9001:2015, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented a Code of Ethics which meets the requirements of the International Federation of Inspections Agencies (IFIA) across its business which ensures that all our staff maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities.

Purpose and Restriction on Distribution and Use

This report and the conclusions drawn are intended solely for CDL Hospitality Trust (M&C Reit Management Limited) which is stipulated in our engagement agreement. To the fullest extent permitted by law, Bureau Veritas accepts no liability or responsibility to any party other than CDL Hospitality Trust (M&C Reit Management Limited) for any analysis, interpretation, or conclusion contained in this report.

Verified by:



Winnie Tan,

Verifier

Bureau Veritas Quality Assurance Pte Ltd

To check the validity of this statement please contact:
Bureau Veritas Quality Assurance

Bureau Veritas Quality Assurance Pte Ltd Office:
28 Ayer Rajah Crescent, #04-01, Singapore, 139959

CORPORATE GOVERNANCE

CDL Hospitality Trusts (“**CDLHT**”) is a stapled group comprising CDL Hospitality Real Estate Investment Trust (“**H-REIT**”) and CDL Hospitality Business Trust (“**HBT**”) (the “**Stapled Group**”) pursuant to a Stapling Deed dated 12 June 2006 (as amended) and each Stapled Security consists of one H-REIT Unit and one HBT Unit and is treated as a single instrument. M&C REIT Management Limited (the “**H-REIT Manager**”) was appointed manager of H-REIT in accordance with the terms of the Trust Deed dated 8 June 2006 (as amended) between the H-REIT Manager and DBS Trustee Limited (the “**H-REIT Trustee**”). M&C Business Trust Management Limited (the “**HBT Trustee-Manager**”) was appointed the trustee-manager of HBT in accordance with the terms of the Trust Deed constituting HBT dated 12 June 2006 (as amended).

The H-REIT Manager has general powers of management over the assets of H-REIT and its main responsibility is to manage H-REIT’s assets and liabilities for the benefit of the holders of H-REIT Units. The H-REIT Manager is responsible for formulating the business plans in relation to H-REIT’s properties and in this regard, it works closely with the master lessees and property managers of H-REIT’s properties to implement H-REIT’s strategies. In addition, the H-REIT Manager sets the strategic direction of H-REIT and gives recommendations to the H-REIT Trustee on acquisitions, divestments or enhancement of H-REIT’s assets in accordance with its stated investment strategies.

Other roles and responsibilities of the H-REIT Manager include:

- Using its best endeavours to ensure that the business of H-REIT is carried on and conducted in a proper and efficient manner and to conduct all transactions with or for H-REIT at arm’s length and on normal commercial terms.
- Ensuring that H-REIT complies with the relevant applicable laws and regulations, including the applicable provisions of the Securities and Futures Act 2001 (“**SFA**”), the Listing Rules issued by Singapore Exchange Securities Trading Limited (“**Listing Manual of SGX-ST**”), the Code on Collective Investment Schemes (including the Property Funds Appendix), the conditions set out in the Capital Markets Services (“**CMS**”) Licence for REIT Management issued by the Monetary Authority of Singapore (“**MAS**”), the H-REIT Trust Deed, the tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of H-REIT and the holders of the Stapled Securities of CDLHT (“**Stapled Security Holders**”) and all relevant contracts.

The H-REIT Manager holds a CMS licence issued by the MAS to conduct real estate investment trust management activities as required under the licensing regime for real estate investment trust managers. In addition, employees of the H-REIT Manager who are engaged in investments and business development, asset management, financing and investor relations functions are holders of CMS representative licences.

HBT Group acts as the master lessee of The Halcyon Private Isles Maldives, Autograph Collection, a resort in the Maldives, W Singapore – Sentosa Cove, Hotel MyStays Asakusabashi and Hotel MyStays Kamata in Japan as well as Ibis Perth and Mercure Perth, all of which are owned by H-REIT. In addition to its function as a master lessee, HBT may undertake certain hospitality and hospitality-related and other accommodation development projects, acquisitions and investments which may not be suitable for H-REIT.

Hotels owned by the HBT Group include Hilton Cambridge City Centre, The Lowry Hotel and Hotel Indigo Exeter. HBT Group also owns The Castings (BTR) and the vacant freehold land adjacent to Benson Yard (PBSA).

The HBT Trustee-Manager has the dual responsibility of safeguarding the interests of the HBT Unitholders, and managing the business conducted by HBT. The HBT Trustee-Manager has general powers of management over the assets of HBT and its main responsibility is to manage HBT’s assets and liabilities for the benefit of the HBT Unitholders. The HBT Trustee-Manager also sets the strategic direction of HBT and works closely with the hotel and property managers where HBT is the master lessee or owner of the properties.

Both H-REIT and HBT are externally managed by the H-REIT Manager and the HBT Trustee-Manager (collectively, the “**Managers**”) respectively. Accordingly, both H-REIT and HBT do not have personnel of their own. The Managers employ experienced and well-qualified management staff to run the day-to-day operations of H-REIT and HBT. The Directors and employees of the Managers are remunerated by the Managers and not by H-REIT, HBT or CDLHT.

This report sets out the corporate governance practices of both the Managers as they have adopted a similar set of corporate governance practices, with specific reference to the principles and provisions of the Code of Corporate Governance 2018, as amended (“**CG Code**”). For the financial year ended 31 December 2025 (“**FY 2025**”), the Managers have adhered to the principles of the CG Code. Where there are differences in practice from the provisions under the CG Code, the Managers’ position in respect of the same is also explained in this report.

CORPORATE GOVERNANCE

CDLHT achieved a 10th ranking out of 42 REITs/Business Trusts on the Singapore Governance and Transparency Index (SGTI) 2025 – REIT and Business Trust Category. The SGTI is aimed at assessing companies on their corporate governance disclosure and practices, as well as the timeliness, accessibility and transparency of their financial results announcements.

BOARD MATTERS

The Board’s Conduct of Affairs
Principle 1

Primary Functions of the H-REIT Manager Board and the HBT Trustee-Manager Board

Both the H-REIT Manager Board and the HBT Trustee-Manager Board are responsible for the overall corporate governance of the Managers respectively, including establishing goals for management and monitoring the achievement of these goals (for the benefit of unitholders). The Managers’ Boards are also responsible for setting strategic business objectives and direction as well as the risk management of H-REIT and HBT, and to ensure that necessary financial, operational and human resources are in place for the Managers to meet their objectives. All Board members of the H-REIT Manager and the HBT Trustee-Manager participate in matters relating to corporate governance including setting corporate values and ethical standards, business operations and risk management, desired organisational culture, financial performance, engaging key stakeholder groups and the nomination and review of performance of Directors and key management personnel (“**KMP**”). A Code of Business and Ethical Conduct duly approved by the Managers’ Boards is in place.

The Boards are responsible for reviewing and guiding all relevant sustainability matters to ensure the business strategies of CDLHT remain aligned with the objectives set. The Boards also oversee and track the performance of the material environmental, social and governance (“**ESG**”) factors of CDLHT, including climate-related considerations such as emission reduction efforts, climate action, and resilience planning.

The H-REIT Manager Board and the HBT Trustee-Manager Board have established a framework for the management of the Managers, H-REIT and HBT, including a system of internal controls and business risk management processes. The Managers’ Boards meet quarterly or more often, if necessary, to:

- (i) review the financial performance of H-REIT and HBT respectively against previously approved budgets,
- (ii) review the business risks of H-REIT and HBT respectively,
- (iii) review the acquisition and disposal of assets or undertakings of CDLHT, development projects, corporate actions and financing,
- (iv) examine liability management,
- (v) oversee the sustainability performance of H-REIT and HBT, and
- (vi) act upon any recommendations and/or comments from both the internal and external auditors of H-REIT and HBT.

In assessing business risks, the Managers’ Boards also consider the economic environment and risks relevant to the property, hospitality and residential sectors.

Directors’ Objective Discharge of Duties and Declaration of Interests

All of the Managers’ Directors are required to objectively discharge their duties and responsibilities in the best interests of H-REIT and HBT. This ability to exercise objectivity is one of the assessment criteria in the annual evaluation of the Directors. Directors who are in any way, directly or indirectly, interested in a transaction or proposed transaction will declare the nature of their interests in accordance with the provisions of the Companies Act 1967 (“**Companies Act**”) and the SFA, where relevant, and in the case of any conflicts of interests, abstain from participating in the deliberation and decision making on such transactions, with abstention duly recorded within the minutes and/or resolutions of the Boards and/or the Board Committees.

CORPORATE GOVERNANCE

Delegation by the H-REIT Manager Board and the HBT Trustee-Manager Board

The primary functions of the H-REIT Manager Board and the HBT Trustee-Manager Board are either carried out directly by the H-REIT Manager Board and the HBT Trustee-Manager Board or delegated to the board committees (“**Committees**”) with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Managers’ Boards.

The Committees established by the Boards, together with their respective composition are set out under the corporate directory section in this Annual Report 2025 (“**Annual Report**”).

Each Committee reports key matters to the Boards at Board Meetings and submit its report at least on an annual basis. All terms of reference for the Committees are approved by the H-REIT Manager Board and the HBT Trustee-Manager Board and reviewed annually to ensure their continued relevance, taking into account the changes in the governance and legal environment.

The delegation of authority by the H-REIT Manager Board and the HBT Trustee-Manager Board to the Committees enables the H-REIT Manager Board and the HBT Trustee-Manager Board to achieve operational efficiency by empowering the Committees to decide, review and make recommendations on matters within their respective written terms of reference and/or limits of delegated authority, without abdicating their respective overall responsibility.

Further information on the activities of the Audit & Risk Committees (“**ARCs**”), Nominating & Remuneration Committees (“**NRCs**”) and Board Sustainability Committees (“**BSCs**”) can be found in the sections on Principles 4 to 10 in this report.

Board Processes of the H-REIT Manager and the HBT Trustee-Manager

Meetings of the Boards, ARCs, NRCs and BSCs of the Managers were held regularly. Six Board Meetings, four ARC Meetings, three NRC Meetings and two BSC Meetings were held in 2025.

A meeting of the Non-Executive Directors (“**NEDs**”) of the H-REIT Manager Board and the HBT Trustee-Manager Board, chaired by the Board Chairman was also held in 2025 to discuss matters without the presence of management and feedback was provided to the Board after the NEDs meeting.

The attendance of the Directors of H-REIT Manager and the HBT Trustee-Manager at meetings of the Board and Committees of the Managers, as well as the frequency of such meetings during 2025, are disclosed below. Notwithstanding such disclosure, the H-REIT Manager Board and the HBT Trustee-Manager Board are of the view that the contribution of each Director should not be focused solely on his/her attendance at meetings of the Boards and/or the Committees.

A Director’s contribution also extends beyond the confines of the formal environment of such meetings, through the sharing of views, advice, experience and strategic networking relationships which will further the interests of H-REIT and HBT.

The proposed meetings for the Boards and Committees of the Managers for each new calendar year are set out in a schedule of meetings and notified to all members of the Managers’ Boards before the start of each calendar year. Additional meetings are convened as and when circumstances warrant. Records of all such meetings, including discussions on key deliberations and decisions taken, are maintained by the Company Secretaries. The Managers’ respective Constitutions allow for meetings of their Boards and Committees to be held via teleconferencing and videoconferencing. The H-REIT Manager Board and the HBT Trustee-Manager Board as well as their Committees may also make decisions by way of circulating written resolutions.

CORPORATE GOVERNANCE

Directors’ Attendance at the General Meetings and Meetings of Boards, the Committees and NEDs in 2025

	General Meeting ⁽¹⁾	Board	ARC	NRC	BSC	NED
Number of meetings held in 2025	1	6	4	3	2	1
Name of Directors	Number of meetings attended in 2025					
Chan Soon Hee, Eric	1/1	6/6	N.A.	3/3	N.A.	1/1
Vincent Yeo Wee Eng	1/1	6/6	N.A.	N.A.	2/2	N.A.
Cheah Sui Ling	1/1	6/6	4/4	3/3	2/2	1/1
Kwek Eik Sheng	1/1	6/6	N.A.	N.A.	N.A.	1/1
Eng Chin Chin ⁽²⁾	1/1	5/5	3/3	1/1	N.A.	1/1
Kim Kenny ⁽³⁾	1/1	6/6	4/4	N.A.	1/1	1/1
Foo Say Mui (Bill) ⁽⁴⁾	1/1	3/3	2/2	2/2	1/1	N.A.

Note:

- ⁽¹⁾ All Directors, including Mr Chan Soon Hee, Eric (Chairman of the Boards and NRCs) and Dr Foo Say Mui (Bill) (chairman of the ARCs and BSCs) were in attendance at the Annual General Meetings (“**AGMs**”) in April 2025, together with the KMP and the external auditors of CDLHT.
- ⁽²⁾ Ms Eng Chin Chin was appointed as a Director and a member of ARCs on 21 February 2025. She was subsequently appointed as the chairman of the ARCs and a member of NRCs on 9 May 2025. She had attended five Board Meetings, three ARC Meetings and one NRC Meeting held after her appointments.
- ⁽³⁾ Mr Kenny Kim, who was appointed as a member of the BSCs on 9 May 2025, had attended one BSC meeting held after his appointment.
- ⁽⁴⁾ Dr Foo Say Mui (Bill), who stepped down as a Director on 9 May 2025, had attended three Board Meetings, two ARC meetings, two NRC meetings and one BSC meeting held prior to his cessation.

Complete, Adequate and Timely Information

Prior to each meeting, members of the H-REIT Manager Board and HBT Trustee-Manager Board and the Committees are provided with the meeting agenda and the relevant papers submitted by the Management, containing complete, adequate and timely information to enable full deliberation on the issues to be considered at the respective meetings. The Management is in attendance at such meetings, whilst the auditors and professional advisers who can provide additional insight into the matters for discussion are invited from time to time to attend the relevant meetings. The Management also provides all Directors of the Managers with monthly updates on the financial performance of H-REIT and HBT.

Draft agendas for the Board and Committee meetings are circulated in advance to the Chairman of each Board and the chairmen of the various Committees, for them to review and suggest items for the agenda. The members of the Boards and the Committees also receive reports on the financial performance, whistle-blowing and related party transactions, where applicable, from the Management. Each of the chairmen of the ARC, NRC and BSC of the H-REIT Manager and the HBT Trustee-Manager provides an annual report of the respective Committees’ activities during the year under review to the Boards. The minutes of meetings of the Committees are circulated to all Board members.

Access to Management, Company Secretaries and Independent Professional Advice

All Directors of the Managers have direct and independent access to the Management. To facilitate this access, all Directors are provided with the contact details of the KMP. The contact details of the head of internal audit are also provided to the ARCs.

The Directors, whether as a group or individually, are entitled to take independent professional advice at the expense of the H-REIT Manager and HBT Trustee-Manager, in furtherance of their duties and where circumstances warrant the same. The Managers have also put in place internal guidelines allowing for the Directors to seek independent professional advice.

CORPORATE GOVERNANCE

The Company Secretaries, whose appointment and removal are subject to the approval of the H-REIT Manager Board and the HBT Trustee-Manager Board, attend all Board and Committee meetings to provide guidance for the Board procedures to be followed. The Company Secretaries, together with Management of the H-REIT Manager and the HBT Trustee-Manager, also ensure that the H-REIT Manager, H-REIT, the HBT Trustee-Manager and HBT comply with all applicable statutory and regulatory rules. Together with the Management, the Company Secretaries also assist the Board Chairman, the Board and Committees of the H-REIT Manager and the HBT Trustee-Manager on corporate governance matters and assist to implement and strengthen corporate governance practices and processes, including ensuring good information flow within the Boards of the Managers and the Committees and between the Directors and Management, facilitating induction for newly appointed Directors of the Managers and newly appointed members of Committees, and assisting in the continuing training and development of the Directors.

On an on-going basis, the Directors of the H-REIT Manager and the HBT Trustee-Manager have separate and independent access to the Company Secretaries.

H-REIT Manager Board and HBT Trustee-Manager Board Approval

The H-REIT Manager Board and the HBT Trustee-Manager Board have in place an internal guide wherein certain key matters are specifically reserved for approval by the H-REIT Manager Board and the HBT Trustee-Manager Board respectively, and these include decisions over the strategic direction and policies and financial objectives which have or may have material impact on the profitability or performance of H-REIT and HBT and decisions on material capital expenditure and undertakings of all acquisition and disposal of properties of H-REIT and HBT as well as decisions to commence, discontinue or modify significantly any business activity or to enter or withdraw from a particular market sector, corporate or financial restructuring, decisions over new borrowings or significant amendments to the terms and conditions of existing borrowings other than in the ordinary course of business, adoption of corporate governance policies and any other matters which require the H-REIT Manager Board or the HBT Trustee-Manager Board approval as prescribed under the relevant legislations and regulations as well as the provisions of the H-REIT or HBT Trust Deeds. The Management of the H-REIT Manager and HBT Trustee-Manager are fully apprised of such matters which require the approval of the respective Boards and Committees.

H-REIT Manager Board and HBT Trustee-Manager Board Orientation and Training

Every newly appointed Director of the Managers receives a formal letter, setting out his/her general duties and obligations as a Director pursuant to the relevant legislations and regulations. The new Director will also receive an induction pack containing information and documents relating to the roles, duties and responsibilities of a director (and where applicable, as a member of the Committees), the principal businesses of H-REIT or HBT and their respective subsidiaries, the H-REIT Manager Board and the HBT Trustee-Manager Board processes and corporate governance practices, relevant policies and procedures, as well as a board meeting calendar for the year with a brief of the routine agenda for each meeting of the Boards and where applicable, the Committees.

The Managers also conduct a comprehensive induction programme for newly appointed Directors and for existing Directors pursuant to their appointments to any of the Committees, which seeks to familiarise Directors with CDLHT’s business, the Managers’ governance practices and processes, internal controls and risk management systems, their responsibilities as Directors and in the case of appointments to any of the Committees, the roles and areas of responsibilities of such Committees. The induction programme includes meetings with various key executives of the Management to allow the new Directors to be acquainted with the Management team and to facilitate their independent access to the Management team in future. The programme also includes briefings by the Management team on key areas of the Managers’ operations and by each Chairman of the relevant Committees to which the Director is newly appointed to on the roles and responsibilities of the Committees.

The Directors had attended in-house seminars conducted by external speakers and other Singapore Institute of Directors (“**SID**”) courses in 2025 which included Anti-Money Laundering and Sustainability updates and trends. They were also briefed during the Boards and Committees meetings on the recent regulatory changes such as financial reporting standards, the CG Code, ISSB Reporting Standards and related listing rules revisions. In addition to the aforementioned training courses/programmes and briefing updates which are non-exhaustive, Directors are also at liberty to approach Management should they require any further information or clarification concerning the Managers’ operations.

CORPORATE GOVERNANCE

For a first-time Director who has no prior experience as a director of a listed company, in addition to the induction as detailed above, he or she will be required to also attend specific modules of the Listed Entity Director (“**LED**”) Programme and LED Bridging Programme conducted by the SID or the Board of Directors (BOD) Masterclass Programme jointly conducted by Institute of Singapore Chartered Accountants and SAC Capital, in order to acquire relevant knowledge of what is expected of a listed company director, being a mandatory requirement under the SGX-ST Listing Rules. Completion of the aforesaid programme, which focuses on comprehensive training of company directors on compliance, regulatory and corporate governance matters, should provide the first-time Director with a broad understanding of the roles and responsibilities of a director of a listed company under the requirements of the Companies Act, the Listing Manual of SGX-ST and the CG Code. A first-time Director of a manager of real estate investment trust (“**REIT**”), who has no prior experience as a director of a REIT manager, must also attend the “Essentials for Directors of REIT Managers” mandatory training programme conducted by REIT Association of Singapore (“**REITAS**”). The said training programme provides the first time Director with the essential know-how for serving on the Board of a Singapore REIT. The Company Secretaries, where relevant, will co-ordinate with such Director to endeavour completion of the relevant programmes within one year from his or her date of appointment subject to available training schedule and the Director’s availability.

Ms Eng Chin Chin, who was appointed an Independent Non-Executive Director on 21 February 2025, received an induction pack containing information and documents relating to the Board and Board Committees. She has been given detailed briefings by the management team in respect of CDLHT’s business and operations, financial as well as compliance matters. Ms Eng has completed the Board of Directors (BOD) Masterclass Programme conducted by the Institute of Singapore Chartered Accountants and SAC Capital as well as the “Essentials for Directors of REIT Managers” training conducted by REITAS within a year from her date of appointment.

Mr Richard Anthony Johnson, who has prior experience as a director of listed company, was appointed an Independent Non-Executive Director in January 2026. He has been provided with an induction pack containing information and documents relating to the Board and Board Committees. He will also be given detailed briefings by the management team in respect of CDLHT’s business and operations, financial as well as compliance matters. In view of the various developments in REITs, the NRCs recommended Mr Johnson to attend the “Essentials for Directors of REIT Managers” training conducted by REITAS.

The Directors are provided with updates and/or briefings from time to time by professional advisers, auditors, Management and the Company Secretaries in areas such as directors’ duties and responsibilities, corporate governance practices, relevant legislations and regulations, risk management issues, financial reporting standards and tax laws and practices. The Directors are also regularly kept informed by the Company Secretaries of the availability of appropriate courses, conferences and seminars such as those conducted by the Accounting and Corporate Regulatory Authority (“**ACRA**”), SGX-ST and SID. The Directors are encouraged to attend such training to develop and maintain their skills and knowledge at the Managers’ expense. The NRCs and the Boards of the Managers are kept informed of the trainings attended by the Directors during the year, as part of the NRCs annual assessment of the skills set of the Boards and the Committees. The NRCs would also recommend further training for the Directors in specific areas, if so required, to supplement the regular updates/briefings provided to Directors from time to time.

Board Composition and Guidance
Principle 2

Board Independence

The Boards of the H-REIT Manager and the HBT Trustee-Manager currently comprise six members each. All members of the Boards, except for Mr Vincent Yeo Wee Eng, the CEO, are NEDs. Of the five NEDs, the NRCs have recommended and the Boards have determined four of them, namely Mr Chan Soon Hee, Eric, Ms Cheah Sui Ling, Ms Eng Chin Chin and Mr Richard Anthony Johnson, being more than half on the Boards, to be Independent Directors (“**IDs**”), thus providing for a strong and independent element on the Boards capable of exercising objective judgement on corporate affairs of the H-REIT and its subsidiaries (“**H-REIT Group**”) and the HBT and its subsidiaries (“**HBT Group**”).

The NRCs determine on an annual basis (or as and when circumstances require) whether a Director is independent, based on the rules, guidelines and/or circumstances on director independence as set out in the Listing Manual of SGX-ST, the CG Code and the accompanying Practice Guidance, the Securities and Futures (Licencing and Conduct of Business) Regulations (“**SFR**”) and the Business Trusts Regulations. A Director is considered independent if he or she is independent in conduct, character and judgement and:

CORPORATE GOVERNANCE

- (a) has no relationship with the Managers, their related corporations, their substantial shareholders, substantial Stapled Security Holders of CDLHT (being Stapled Security Holders who have interests in voting Stapled Securities with 5% or more of the total votes attached to all voting Stapled Securities) or the Managers’ officers that could interfere, or be reasonably perceived to interfere with the exercise of his or her independent business judgement in the best interests of CDLHT;
- (b) is independent from the management of the Managers and CDLHT, from any business relationship with the Managers and CDLHT, and from every substantial shareholder of the Managers and every substantial Stapled Security Holder of CDLHT;
- (c) is not a substantial shareholder of the Managers or a substantial Stapled Security Holder of CDLHT;
- (d) is not employed and has not been employed by the Managers or CDLHT or their related corporations in the current or any of the past three financial years;
- (e) does not have an immediate family member who is employed or has been employed by the Managers or CDLHT or their related corporations in the current or any of the past three financial years and whose remuneration is or was determined by the Boards; and
- (f) has not served on the Boards for a continuous period of nine years or longer.

For purposes of determination of independence, the IDs have provided confirmation that they are not related to the Managers or substantial Stapled Security Holders of CDLHT or their related corporations and the substantial shareholders of the Managers or their officers that could interfere, or be reasonably perceived to interfere, with their judgement in the best interests of CDLHT. Each member of the NRCs and the Boards recused himself or herself from the NRCs’ and the Boards’ deliberations respectively on his or her own independence. The following Directors’ independence were assessed by the NRCs and the Boards for FY 2025:

(a) Mr Chan Soon Hee, Eric

Mr Chan Soon Hee, Eric was previously the Lead Independent Director, Chairman of the Audit and Risk, Remuneration and Board Sustainability Committees; and a member of the Board and Nominating committees of City Developments Limited (“CDL”) which holds an indirect controlling stake in the stapled securities of CDLHT, until his resignation on 22 June 2018. The Managers are wholly-owned subsidiaries of CDL.

The NRCs and Boards of the Managers had considered Mr Chan to be independent and capable of exercising business judgement in the best interests of H-REIT and HBT, and approved the re-designation of Mr Chan from Non-Independent and Non-Executive Chairman to Independent Non-Executive Chairman with effect from 1 January 2021.

The Boards also considered the conduct of Mr Chan in the discharge of his duties and responsibilities as a Director and are of the view that the past relationship set out above did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. Save for the relationship stated above, Mr Chan does not have any other relationships and is not faced with any of the circumstances identified in the CG Code, SFR, Business Trusts Regulations and Listing Manual of SGX-ST, or any other relationships which may affect his independent judgement. The Boards are therefore of the view that Mr Chan has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Boards determined that Mr Chan is an ID for FY 2025. The Boards are of the view that as at the last day of FY 2025, Mr Chan was able to act in the best interests of all Stapled Security Holders as a whole.

(b) Mr Kenny Kim

Mr Kenny Kim is not faced with any of the circumstances identified in the CG Code, SFR, Business Trusts Regulations and Listing Manual of SGX-ST and does not have any other relationships which may affect his independent judgement. The Boards also considered the conduct of Mr Kim in the discharge of his duties and responsibilities as a Director. The Boards are of the view that Mr Kim has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Boards determined that Mr Kim is an ID for FY 2025. The Boards are of the view that as at the last day of FY 2025, Mr Kim was able to act in the best interests of all Stapled Security Holders as a whole.

CORPORATE GOVERNANCE

(c) Ms Cheah Sui Ling

Ms Cheah Sui Ling is not faced with any of the circumstances identified in the CG Code, SFR, Business Trusts Regulations and Listing Manual of SGX-ST and does not have any other relationships which may affect her independent judgement. The Boards also considered the conduct of Ms Cheah in the discharge of her duties and responsibilities as a Director. The Boards are of the view that Ms Cheah has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Boards determined that Ms Cheah is an ID for FY 2025. The Boards are of the view that as at the last day of FY 2025, Ms Cheah was able to act in the best interests of all Stapled Security Holders as a whole.

(d) Ms Eng Chin Chin

Ms Eng Chin Chin is not faced with any of the circumstances identified in the CG Code, SFR, Business Trusts Regulations and Listing Manual of SGX-ST and does not have any other relationships which may affect her independent judgement. The Boards also considered the conduct of Ms Eng in the discharge of her duties and responsibilities as a Director. The Boards are of the view that Ms Eng has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Boards determined that Ms Eng is an ID for FY 2025. The Boards are of the view that as at the last day of FY 2025, Ms Eng was able to act in the best interests of all Stapled Security Holders as a whole.

Taking into consideration the guidelines for independence set out in Provision 2.1 of the CG Code and the Business Trusts Regulations, the NRCs and the Boards have determined that Mr Kwek Eik Sheng is considered non-independent by virtue of his employment as Group Chief Operating Officer of CDL and an Executive Director of Millennium & Copthorne Hotels Limited (the “Sponsor”), both being substantial Stapled Security Holders of CDLHT.

H-REIT Manager / HBT Trustee-Manager Board Composition, Size and Diversity

The NRCs review the size and composition of the H-REIT Manager Board and the HBT Trustee-Manager Board and the Board Committees annually. At the recommendation of the NRCs, the Boards adopted a Board Diversity Policy which is available on CDLHT’s corporate website, setting out its policy and framework for promoting diversity on the Boards. The Boards recognise that a diverse Board of Directors is an important element which will better support CDLHT’s achievement of its strategic objectives for sustainable development by enhancing the decision-making process of the Boards, to avoid group think and foster constructive debate through the perspectives derived from the various skills, qualifications/knowledge, business experience, industry discipline, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service and other distinguishing qualities of the Directors. The final decision on selection of Directors will be based on merit against an objective criterion that complements and expands the skills and experience of the Boards as a whole, and after having given due regard to the overall balance and effectiveness of the diverse Boards.

The NRCs had considered the core competencies of the Directors based on the skills and experience of each Director and are of the view that the Boards have the critical skills and expertise needed in the strategic direction and planning of the business of H-REIT and HBT. The NRCs are satisfied that there is a good balance of expertise on the Boards, with experience in real estate and hospitality-related businesses, hospitality and funds management, corporate finance, business leadership and management, strategic planning, marketing, accounting or finance, risk management and sustainability. H-REIT and HBT own assets in various regions such as Asia, Oceania and Europe including the United Kingdom. The CEO, who is also an Executive Director of the H-REIT Manager Board and the HBT Trustee-Manager Board, together with the NEDs collectively have prior work experience in these regions.

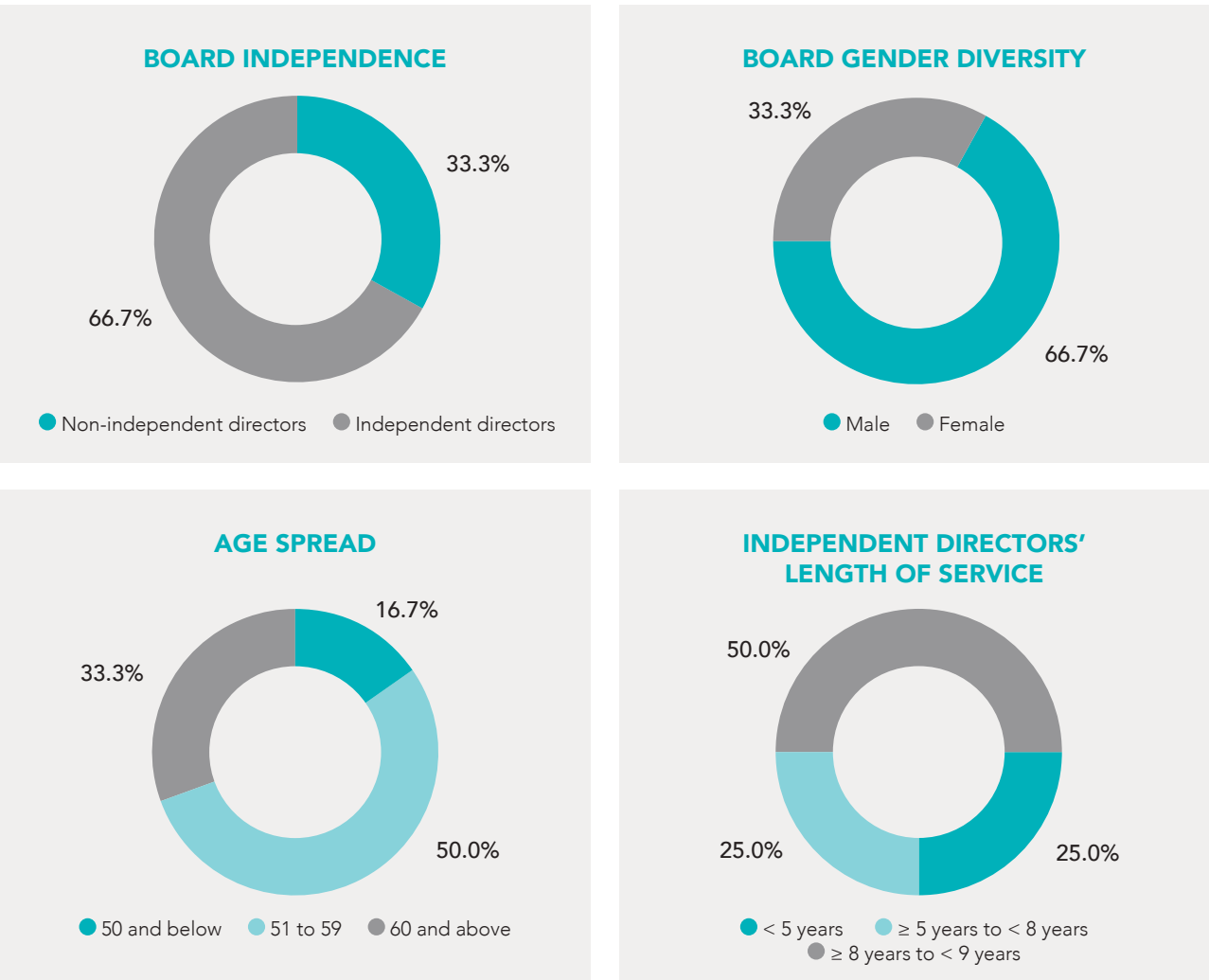
The Boards will continue to review opportunities to refresh the Boards with a view to expanding the skills, experience and diversity of the Boards as a whole. The Boards also agreed that there was no need to set a specific target for ethnicity or nationality so long as the candidates provide distinguishing qualities that complement and expand the skills and experience of the Boards as a whole. Further information on the individual Directors’ background, experience and skills can be found in the “Board of Directors” section in this Annual Report.

Having considered the scope and nature of the operations of the H-REIT Group and the HBT Group, the Boards are satisfied that the current composition mix and size of the Boards provide for diversity and allow for informed and constructive discussion and effective decision-making at the meetings of Boards and Committees. No individual or small group of individuals dominates the Boards’ decision-making. No alternate Directors have been appointed in respect of any of the Directors.

CORPORATE GOVERNANCE

So long as the H-REIT Units remain stapled to HBT Units, in order to avoid any conflict between H-REIT and HBT and to act in the best interest of CDLHT, each of the Directors of the H-REIT Manager Board is also a Director of the HBT Trustee-Manager Board, and vice versa. Further, in line with the SFR, under circumstances where unitholders of H-REIT are not given the right to appoint directors, at least half of the H-REIT Manager Board would have to be IDs. Similarly, the HBT Trustee-Manager Board would also be required to comply with the provision under Regulation 12 of the Business Trusts Regulations that at least a majority of the Directors of the board of the trustee-manager of a business trust to comprise Directors who are independent from management and business relationships with the trustee-manager. Majority of the H-REIT Manager Board and the HBT Trustee-Manager Board comprise of IDs. The statement on the Composition of the Board of Directors of the HBT Trustee-Manager pursuant to Regulation 12 of the Business Trusts Regulations can be found on page 185 of this Annual Report.

Board Composition in terms of independence, diversity, age spread and IDs’ length of service as at 31 December 2025



CORPORATE GOVERNANCE

Diversity Targets and Progress in FY 2025

Targets	Progress
Size: Maintain a board size of six with two out of three or more members being independent.	The Boards have continued to maintain this target.
Skills and Experience: Broaden the skillset of directors on the Board by appointing directors with the relevant expertise and experience that would complement those already on the Board and which would help drive CDLHT’s strategy.	Mr Richard Anthony Johnson was appointed in January 2026. He is experienced in real estate and hospitality-related businesses as well as funds management. The Boards currently consist of members who are experienced in real estate and hospitality-related businesses, hospitality and funds management, corporate finance, business leadership and management, strategic planning, marketing, accounting or finance, risk management and sustainability. Other than identifying these aforementioned skills in the search for new directors, the Boards will however continue to review opportunities to refresh the Boards with a view to expanding their skills set in CDLHT’s business activities.
Age: Improve age diversity by appointing younger directors (50 years and below)	There is one out of six members in the age group of 50 years or below.
Gender: Improve gender diversity by achieving at least 25% female representation	With the appointment of Ms Eng Chin Chin in February 2025, the Boards have achieved at least 25% female representation on the Boards.
In this regard, the NRCs will try to ensure that:	
(a) If external search consultants are used to search for candidates for Board appointments, the brief will include a requirement to present female candidates;	
(b) When seeking to identify a new Director for appointment to the Boards, the NRCs will request for female candidates to be fielded for consideration; and	
(c) At least one female Director be appointed to the NRCs.	
Ms Cheah Sui Ling and Ms Eng Chin Chin are members of the NRCs.	

In connection with the appointment of new Director(s), the Boards of the H-REIT Manager and the HBT Trustee-Manager will consider all aspects of diversity based on targets and timelines set for promoting and achieving diversity on the Boards to arrive at an optimal balanced composition of the Boards. The Boards have achieved all diversity targets that were set previously for FY 2025.

Succession Planning and Rejuvenation of the Boards

The Boards believe in carrying out succession planning for themselves, the Board Chairman, CEO and the KMP to ensure continuity of leadership. Board rejuvenation is a continuous process and in this regard, the NRCs review annually the composition of the Boards and Committees, which include size and mix and recommend to the Boards the selection and appointment of new Directors, whether in addition to the existing Board members or as replacement of retiring Board members, with a view to identifying any gaps in the Boards’ skillsets taking into account the Group’s strategy and business operations. The Boards will be able to function smoothly notwithstanding any resignation or retirement of any Director given the present number of members and mix of competencies on the Boards. A Director who has served as a director for a continuous period of nine years will retire from the Boards.

CORPORATE GOVERNANCE

As part of the Boards’ rejuvenation process, Dr Foo Say Mui (Bill) and Mr Kenny Kim retired from the Boards on 9 May 2025 and 23 January 2026 respectively. Ms Eng Chin Chin and Mr Richard Anthony Johnson were appointed as Independent Non-Executive Directors with effect from 21 February 2025 and 23 January 2026 respectively. Ms Eng and Mr Johnson were identified through contacts and recommendations.

In addition to the above, the NRCs also take charge of the succession planning of the CEO and KMP, in particular the appointment and/or replacement of the CEO and KMP. A review of career development and succession planning for the CEO and KMP was conducted by the NRCs annually.

Non-Executive Directors’ Participation

NEDs of the H-REIT Manager and the HBT Trustee-Manager are encouraged to participate actively at Board meetings in the development of H-REIT’s and HBT’s strategic plans and direction, in the review and monitoring of Management’s performance through periodic reports from the Management and have unrestricted access to the Management. They also sit on various Committees established by the Boards of the H-REIT Manager and the HBT Trustee-Manager to provide unbiased and independent views, constructive input and the necessary review and monitoring of performance of H-REIT, HBT and the Management. The Board Chairman, who is non-executive may call for meetings of NEDs or IDs from time to time, when appropriate, without the presence of the Management and provide feedback to the Board after such meetings. The H-REIT Manager and HBT Trustee-Manager held respective meetings of the NEDs, chaired by the Board Chairman in October 2025 (without the presence of Management and the CEO).

Chairman and Chief Executive Officer
Principle 3

The roles of the Chairman and CEO are separate. Mr Chan Soon Hee, Eric is an independent and non-executive Chairman, while the CEO, Mr Vincent Yeo Wee Eng, is an executive Director. This ensures an appropriate balance of power, increased accountability and greater capacity of the H-REIT Manager Board and the HBT Trustee-Manager Board for independent decision-making. The Chairman is not related to the CEO.

The Chairman sets the right ethical and behavioural tone and bears primary responsibility for the workings of the H-REIT Manager Board and the HBT Trustee-Manager Board, by ensuring effectiveness on all aspects of its role including setting agenda for both the H-REIT Manager Board and the HBT Trustee-Manager Board meetings with input from Management, ensuring that sufficient allocation of time for thorough discussion of each agenda item at Board meetings, promoting an open environment within the Board room for constructive debate, encouraging the NEDs to speak freely and contribute effectively, and exercising control over the quality, quantity and timeliness of information flow between the H-REIT Manager/HBT Trustee-Manager Board and Management. At annual general meetings and other general meetings of the Stapled Security Holders, he plays a pivotal role in fostering constructive dialogue between Stapled Security Holders, the Boards of the H-REIT Manager and the HBT Trustee-Manager and Management.

The CEO of the H-REIT Manager and the HBT Trustee-Manager is responsible for working with the H-REIT Manager Board and the HBT Trustee-Manager Board to determine the overall business, investment and operational strategies for H-REIT and HBT. The CEO also works with the other members of the Managers’ management team, master lessees and managers of H-REIT’s properties to ensure that the business, investment and operational strategies of H-REIT and HBT are carried out as planned.

In addition, the CEO is responsible for the overall management and planning of the strategic direction of the Stapled Group, including overseeing the acquisition of hospitality and hospitality-related assets and the asset and property management strategies for H-REIT and HBT.

Following the cessation of Dr Foo as the Lead Independent Director in May 2025, and in view of the separation between the roles of Chairman and CEO, who are not related to each other, as well as the independence of the Chairman, the appointment of a lead independent director is deemed not necessary by the H-REIT Manager Board and the HBT Trustee-Manager Board.

The Chairman is available to the Stapled Security Holders should they have concerns and for which contact through the normal channels of the Management has failed to resolve or is inappropriate. No query of request on any matter which requires the Chairman’s attention was received from the Stapled Security Holders in 2025.

CORPORATE GOVERNANCE

Board Membership
Principle 4

Nominating and Remuneration Committee Composition, Roles and Responsibilities

All three members of the NRCs are IDs, including the NRC Chairman. Please refer to the ‘Corporate Directory’ section of this Annual Report for the composition of the NRCs.

The NRCs’ role and responsibilities as set out in its written terms of reference approved by the Boards, include the following:

- (a) review the structure, size and composition of the Boards and Committees;
- (b) set and review the board diversity policy including targets and plans;
- (c) review the succession plans for the Chairman of the Board, Directors, CEO and KMP;
- (d) review the appointments and resignations of Directors and relevant KMP, including the CEO and the CFO;
- (e) determine the Directors’ independence annually;
- (f) evaluate the performance and effectiveness of the Boards, Committees, Directors and the Chairman;
- (g) review the Directors’ induction, orientation, training and continuous professional development programmes; and
- (h) review the remuneration framework and policies of the Managers and specific remuneration packages of Directors and KMP.

During the review for FY 2025, the NRCs conducted a self-assessment of their own effectiveness in the discharge of their role and responsibilities, which was facilitated through the use of a self-assessment checklist (“**NRC Self-Assessment Checklist**”). The NRC Self-Assessment Checklist covered, *inter alia*, the responsibilities of the NRCs under the terms of reference and considered also the contributions of NRC members to the deliberation and decision-making process at the meetings of NRCs.

Based on the outcome of the self-assessment, the NRCs are of the view that they have fulfilled their responsibilities and discharged their duties as set out in the terms of reference.

H-REIT Manager and HBT Trustee-Manager Directors’ Time Commitments

It is recommended under the CG Code Practice Guidance that the Boards of the H-REIT Manager and HBT Trustee-Manager should establish guidelines on the maximum number of directorships and principal commitments for each Director of the H-REIT Manager and HBT Trustee-Manager may hold in order to address competing time commitments faced by directors serving on multiple boards.

The NRCs and the Boards had set the maximum number of listed company board representations which each Director of the H-REIT Manager and HBT Trustee-Manager may hold at six. The NRCs may review this guideline from time to time and will also consider the circumstances of individual Directors or potential candidates with multiple listed company directorships above the recommended number to determine their capacity to participate and contribute effectively to the Boards.

Based on an annual analysis of directorships held by the Directors as well as each Director’s confirmation as to whether he/she has any issue with competing time commitments which may impact his/her ability to provide sufficient time and attention to his/her duties as a Director on the respective Boards, the NRCs were satisfied that all Directors are able to carry out and have been adequately carrying out their duties as a Director of the Managers. The NRCs of the H-REIT Manager and HBT Trustee-Manager further noted that, excluding the directorships held in the H-REIT Manager Board and HBT Trustee-Manager Board, the number of listed company board representations currently held by the Directors did not exceed four.

Criteria and Process for Nomination, Selection and Appointment of New Directors of the H-REIT Manager and HBT Trustee-Manager

The NRC of the Managers have formalised guidelines for Boards and Committees appointments which include taking into consideration:

- (a) the current Boards and Committees size, composition mix and core competencies;
- (b) the candidate’s/Director’s independence, in the case of an ID;
- (c) the composition requirements for the Boards and Committees (if the candidate/Director is proposed to be appointed to any of the Committees);

CORPORATE GOVERNANCE

- (d) the candidate’s/Director’s age, gender, track record, experience and capabilities and such other relevant factors as may be determined by the H-REIT Manager Board and HBT Trustee-Manager Board which would provide an appropriate balance and contribute to the collective skills of the respective Boards; and
- (e) any competing time commitments if the candidate/Director has multiple board representations and/or other principal commitments.

The NRCs interview shortlisted candidates before formally considering and recommending them for appointment to the Boards and where applicable, to the Committees. Searches for potential candidates generally take into account recommendations from Directors and various other sources. An external search may also include candidates who may be suggested by SID, the Council for Board Diversity and any other relevant organisations.

The NRCs may also consider the use of external search firms and the Board Appointment Service of SID, to find appropriate candidates. Shortlisted candidates would be required to furnish their curriculum vitae containing information on their academic/professional qualification, work experience, employment history, skillsets and experience (if any) as directors of listed companies. The NRCs consider relevant skills such as hospitality related, other accommodation, tax, risk management and legal to contribute to the collective skills of the respective Boards. All appointment of Directors is subject to the approval of the MAS.

Key Information on Directors

Please refer to the “Board of Directors” section in this Annual Report for key information on the H-REIT Manager Directors and the HBT Trustee-Manager Directors and “Directors’ Statement”, including *inter alia* their date of appointment, the academic/professional qualifications, major appointments/principal commitments, directorships held in listed companies, both currently and in the preceding five years, and other relevant information as well as the number of stapled securities held by Directors in CDLHT.

Boards Development

The NRCs review the training and development of the Directors to ensure that Directors receive appropriate development on a continuing basis, to perform their roles on the Boards and where applicable, the Committees. The Directors are provided with updates and/or briefings to assist them to properly discharge their duties. The briefings are conducted either internally with invited speakers, or externally, at the expense of the H-REIT Manager or HBT Trustee-Manager (as the case may be). A separate programme is established for new Directors, details of which together with details of the internal briefing and updates provided to the Directors are set out in the paragraph under the header “H-REIT Manager and HBT Trustee-Manager Board Orientation and Training”. The members of the Boards are kept apprised twice yearly on the list of training programmes attended by the Directors during the year.

Board Performance
Principle 5

Boards Evaluation Process and Individual Director Evaluation Process

The H-REIT Manager Board and HBT Trustee-Manager Board have in place formal processes to assess the effectiveness of each Board as a whole, the various Committees and the contribution by each Director towards the effectiveness of the Boards and the Committees, where applicable. For FY 2025, no external facilitator has been used. The Boards may consider appointing independent external facilitators to assist in the evaluation process of the Boards, Committees and individual Directors, as and when required.

The performance of each Board was assessed on an annual basis through feedback from individual Directors on areas relating to the Boards’ role on strategy and performance, the Boards’ process and governance (including oversight on internal controls and risk management) and effectiveness of the Board Chairman. A consolidated report is prepared and reviewed/evaluated by the NRCs. The NRCs’ comments and recommendations for improvements, if any, are presented to the Boards.

The NRCs also undertook the evaluation of the performance of the Committees, with the assistance of self-assessment checklists completed by the members of the Committees.

Each of the H-REIT Manager Board and HBT Trustee-Manager Board is of the view that in the financial year, it had operated effectively and each of its members had contributed to its overall effectiveness and is committed to maintaining such effectiveness.

CORPORATE GOVERNANCE

The annual evaluation for the Chairman of the Boards and the individual Director’s performance comprises three parts:

- (a) self-evaluation completed by each Director which comprised criteria such as abilities and competencies, objectivity and participation at meetings;
- (b) review of background information concerning the Director including his/her attendance records at the Boards and Committees meetings; and
- (c) NRCs’ evaluation based on certain assessment parameters,

which were recommended by the NRCs and approved by the Boards. When deliberating on the performance of a particular Director who is also a member of the NRCs, that member abstains from the discussions to avoid any conflict of interests. The NRCs are of the view that for FY 2025, each Director has objectively discharged his or her duties and responsibilities at all times in the interests of the Managers and CDLHT.

The Chairman of the Boards would be fully apprised of the results of the performance evaluation.

REMUNERATION MATTERS

Procedures for developing Remuneration Policies
Principle 6

All Directors and employees of the Managers are remunerated by the H-REIT Manager and HBT Trustee-Manager, as appropriate, and in accordance with the remuneration policies set out in the following paragraphs.

The H-REIT Manager and HBT Trustee-Manager Boards have adopted a Remuneration Framework which covers all aspects of remuneration including fees, salaries, allowances, bonuses and benefits-in-kind for the Directors and KMP and includes termination terms which are applicable to the Executive Director and KMP.

Aon Human Capital Solutions, an external human resource consultant was engaged to provide benchmarking for all levels of employees of the Managers for FY 2025. The consultant is independent and not related to the Managers, their controlling shareholder, their related corporations or any of their Directors.

Level and Mix of Remuneration
Principle 7

All Directors of the H-REIT Manager, including the Executive Director, will receive a fixed base director’s fee. The Board Chairman, chairman and members of the ARCs, NRCs and BSCs respectively receive additional fees. Such fees are subject to the shareholder’s approval at the annual general meeting of the H-REIT Manager. The Directors of the HBT Trustee-Manager presently do not receive any Directors’ fees.

From time to time, the NRCs and Boards will perform a benchmarking exercise using publicly available information. The NRC will consider seeking a remuneration consultant’s advice about board remuneration in future, if necessary. For FY 2025, the H-REIT Manager NRC had proposed, and the H-REIT Manager Board had approved that (i) the ARC Chairman and members’ fees be reduced by S\$10,000 respectively; (ii) the NRC Chairman and members’ fees be increased by S\$5,000 respectively; and (iii) the BSC Chairman and members’ fees be increased by S\$5,000 and S\$2,500 respectively. Updated information can be found in the section on “Disclosure on Remuneration - Principle 8” in this report.

The NRCs ensure that the remuneration of NEDs is appropriate to their level of contribution taking into account factors such as effort and time spent, and their responsibilities. The Directors’ fees are paid by the H-REIT Manager and the FY 2025 fees structure of IDs and NEDs, including Board Committee fees, are set out in the Directors’ fees table under Principle 8. During the year, there were no termination, retirement or post-employment benefits (other than CPF contributions) granted to any Director or CEO.

The Managers’ remuneration policy for Directors comprises the following distinct objectives:

- (a) to ensure that the procedure for determining remuneration for Directors is formal and transparent;
- (b) to ensure that the level of remuneration is sufficient to attract and retain Directors to exercise oversight responsibility over the Company; and
- (c) to ensure that no Director is involved in deciding on his own remuneration.

CORPORATE GOVERNANCE

The Managers’ remuneration policy for employees comprises the following distinct objectives:

- (a) to ensure that the remuneration packages are competitive in attracting and retaining employees capable of meeting the Managers’ needs;
- (b) to ensure that remuneration commensurate with employees’ duties, responsibilities and length of service;
- (c) to build sustainable value-creation to align with longer term shareholder’s interests;
- (d) to reward employees for achieving corporate and individual performance targets in an equitable way; and
- (e) to enhance retention of key talents to build strong organisational capabilities.

Under the Managers’ remuneration policy, the remuneration packages for employees, including the CEO who is an Executive Director, comprises a fixed base component (in the form of a base salary) and a variable component which includes the short-term incentives of variable, year-end annual and special bonuses. The variable component is determined by the individual’s performance, competitive market practices and information gathered from market surveys conducted by independent human resource consultants as well as CDLHT’s overall performance in each specific year. Employees are also provided with the standard benefits including insurance and medical benefits.

The remuneration structure is also directly linked to CDLHT and the individual performance of the CEO and KMP, both in terms of financial and non-financial performances by incorporating appropriate key performance indicators (“KPIs”) that are measurable, appropriate and meaningful as well as competency reviews for the award of annual cash incentives.

The KPIs used in the Managers’ Corporate Scorecard to determine remuneration and performance of the CEO and KMP include (but not limited to):

- Financials include targets relating to the total distribution income against budget; total distribution per stapled security; gearing ratio; valuation change; and one year and three year total unitholder return;
- Operations include targets relating to asset enhancement, capital expenditure management and lease management; treasury, refinancing and fund raising; compliance, corporate governance and risk management; and ESG;
- Strategic Projects include targets relating to asset acquisition, earnings growth from acquisition and asset disposal; and
- People include targets relating to staff retention and bench strength of the Managers team.

The KPIs are set and chosen because they support how the Managers achieve their strategic objectives. The framework enable staff to understand how they contribute to the Managers’ overall strategic goals. The H-REIT Manager Board, at the recommendation of the H-REIT Manager NRC, reviews and approves the evaluation of the CEO and KMP annually. Currently, the remuneration of the Directors, KMP and employees are paid in cash only and no compensation is payable to any Director, KMP or employee of the H-REIT Manager in the form of options in stapled securities or pursuant to any bonus or profit-sharing plan or any other profit-linked agreement or arrangement, under their service contracts.

Although there is currently no share scheme or other forms of long-term incentive schemes in place, the Managers continue to execute the long-term growth and value creation strategies of CDLHT. Accordingly, the Boards and the NRCs of the Managers are of the view that the level and structure of remuneration for the KMP take into account the long-term interests and risk management of CDLHT.

Disclosure on Remuneration Principle 8

For FY 2025, the aggregate amount of Directors’ fees receivable by each of the Directors of the H-REIT Manager Board was less than S\$250,000. These fees have been approved by the shareholder of the H-REIT Manager. No Director is involved in deciding his or her own remuneration. The Directors of the HBT Trustee-Manager Board did not receive any Directors’ fees for FY 2025.

CORPORATE GOVERNANCE

The structure of the fees payable to Directors of the H-REIT Manager for FY 2025 is as follows:

Appointment	Per Annum (\$\$)
Board of Directors	
- Chairman’s Fee	90,000 ⁽¹⁾
- Base Fee	60,000
Audit and Risk Committee	
- ARC Chairman’s Fee	60,000 ⁽²⁾
- ARC Member’s Fee	30,000
Nominating and Remuneration Committee	
- NRC Chairman’s Fee	15,000 ⁽²⁾
- NRC Member’s Fee	10,000
Board Sustainability Committee	
- BSC Chairman’s Fee	10,000 ⁽²⁾
- BSC Member’s Fee	5,000
Lead Independent Director’s Fee	10,000

⁽¹⁾ Inclusive of Base Fee
⁽²⁾ Inclusive of member’s fee

The remuneration of each Director (including the CEO) for FY 2025, comprising a breakdown in percentage terms of the components of the remuneration, is set out below:

	Base Salary ⁽¹⁾	Bonuses	Board/ Committee Fees	Benefits In Kind	Total
	%	%	%	%	S\$
Executive Director and Chief Executive Officer					
Vincent Yeo Wee Eng	51.5	38.9	4.7	4.9	1,377,915
Non-Executive Directors					
Chan Soon Hee, Eric	–	–	100.0	–	105,000
Cheah Sui Ling ⁽²⁾	–	–	100.0	–	108,246
Kwek Eik Sheng	–	–	100.0	–	60,000
Eng Chin Chin ⁽³⁾	–	–	100.0	–	103,397
Kenny Kim ⁽⁴⁾	–	–	100.0	–	93,246
Foo Say Mui (Bill) ⁽⁵⁾	–	–	100.0	–	52,602

Note:
(1) Inclusive of Annual Wage Supplement and employer’s Central Provident Fund contributions.
(2) Ms Cheah Sui Ling was appointed as Chairman of the BSC on 9 May 2025.
(3) Ms Eng Chin Chin was appointed as a Director and a member of ARC on 21 February 2025. She was subsequently appointed as the Chairman of the ARC and a member of NRC on 9 May 2025.
(4) Mr Kenny Kim was appointed as a member of the BSC on 9 May 2025.
(5) Dr Foo Say Mui (Bill) stepped down as a Director on 9 May 2025.

Level and Mix of Remuneration of KMP (not being a Director or CEO)

The NRCs had recommended and the Boards of the Managers had assessed and decided against the disclosure of the remuneration of the top five executive officers (excluding the CEO) on a named basis, whether in exact quantum or bands of S\$250,000 and the total remuneration paid in aggregate to the top five KMP (who are not directors or the CEO), and believe that the interests of the Stapled Security Holders will not be prejudiced as a result of such non-disclosure, for the following reasons:

CORPORATE GOVERNANCE

- due to the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the area of real estate investment trusts and business trusts, such disclosure of remuneration information may give rise to recruitment and talent retention issues;
- the negative impact to H-REIT and HBT if members of the experienced and qualified management team are poached individually and/or collectively, thereby affecting both the ability to nurture a sustainable talent pool and ensure the smooth continuity of leadership to achieve business and operations objectives of H-REIT and HBT;
- there is no misalignment between the remuneration of the KMP and the interest of Stapled Security Holders, given that their remuneration is not linked to the gross revenue of H-REIT or HBT and are paid out of the assets of the Managers; and
- there is full and frank disclosure regarding the total amount of fees paid to the H-REIT Manager and HBT Trustee-Manager in Note 18 of the Notes to the Financial Statements.

The NRCs and the Boards of the Managers are of the view that their practice is consistent with the intent of Principle 8 of the CG Code as a whole.

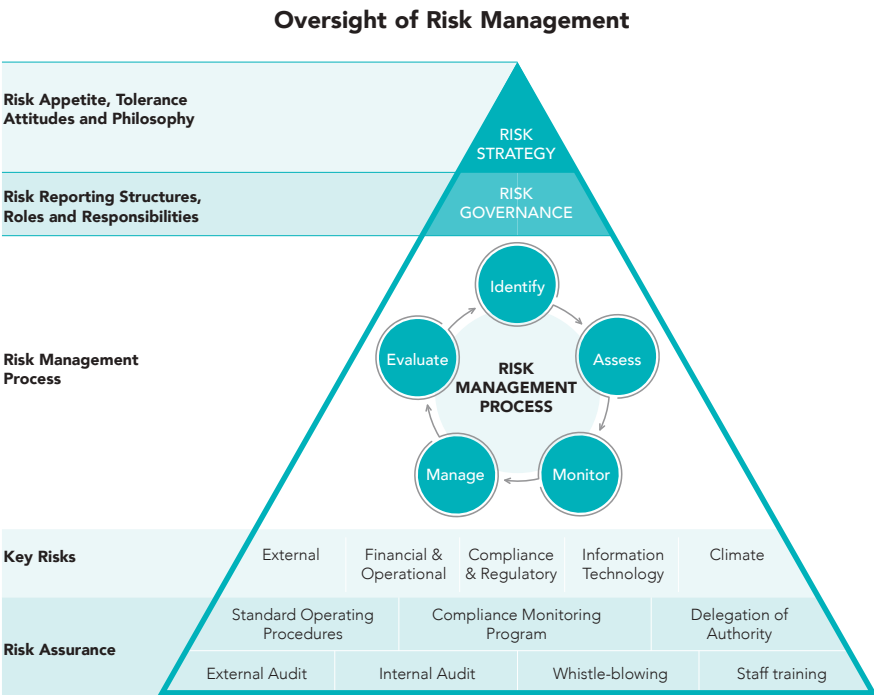
For each of the H-REIT Manager and HBT Trustee-Manager, there is no employee who is a substantial shareholder; or an immediate family member of a director or the CEO or a substantial shareholder.

Pursuant to their terms of reference, the NRCs shall regularly review and recommend to the Boards, their assessment of the performance of KMP. The NRCs shall also take a holistic approach to the Managers’ remuneration policy by considering the contribution and performance of KMP in light of the performance of CDLHT and prevailing economic and industry conditions.

Accountability and Audit
Principle 9

Risk Management and Internal Controls

The H-REIT Manager Board and the HBT Trustee-Manager Board recognise that they have overall responsibility to ensure proper financial reporting for the H-REIT Group, the HBT Group and the Stapled Group and the adequacy and effectiveness of H-REIT’s and HBT’s system of internal controls, including financial, operational, compliance and information technology controls and risk management policies and systems.



CORPORATE GOVERNANCE

The ARCs assist the H-REIT Manager Board and HBT Trustee-Manager Board in providing oversight of risk management and maintaining an effective control environment that reflects both the established risk appetite and the business objectives and reporting to the Boards annually their observations on any matters under their purview including any risk management, internal controls or financial and management matters as they consider necessary and make recommendations to the Boards as they think fit.

An organisational risk management framework has been established by the Managers to ensure the internal processes are in place, enabling key business risks affecting H-REIT and HBT to be identified, assessed, monitored, managed and evaluated. The key risks identified include but are not limited to the following:

- External Risk
As part of its active asset management strategy, the Managers continue to closely monitor economic and geopolitical developments across the markets that CDLHT operates in. As the global tourism and travel industry recovers, Management monitors the macro environment and reviews the hotels’ business operations on an on-going basis.
- Financial Risk
Financial market risks and capital adequacy are closely monitored by the Managers and are reported to the Boards on a quarterly basis. At the portfolio level, this includes active management of CDLHT’s debt maturity profile, operating cash flows and availability of funding facilities to meet its capital, re-financing and operating needs. CDLHT also hedges its portfolio exposure to interest rate volatility risks through interest rate derivatives and fixed rate borrowings. For more information, please refer to Note 25 on page 277 of this Annual Report.
- Operational Risk
The H-REIT Manager and HBT Trustee-Manager have put in place standard operating procedures (“SOPs”) to manage the risks associated with the day-to-day operations of CDLHT. To stay relevant and effective, these SOPs are reviewed periodically. The Management provides monthly reports covering H-REIT Group’s and HBT Group’s financial performance to all Directors. Apart from the periodic updates provided by the Management, any member of the H-REIT Manager Board or HBT Trustee-Manager Board may at any time seek further information from and discuss the respective operations and performance with the Management.
- Compliance and Regulatory Risk
Breaches of applicable regulations and laws in the various jurisdictions in which CDLHT operate in may result in litigation, penalties, revocation of business licenses and bad publicity. The H-REIT Manager and HBT Trustee-Manager identify the applicable regulations and laws and are committed to ensuring compliance in their day-to-day business operations.
- Information Technology Risk
Rapidly evolving technology exposes businesses to potential information technology (“IT”) breaches and cyber security threats. The H-REIT Manager and HBT Trustee-Manager have put in place policies and procedures for IT governance and controls as well as an IT Disaster Recovery Plan to ensure timely recovery of business-critical IT systems. In addition, all staff are also required to attend IT and cybersecurity awareness training.
- Climate-related Risk
Climate change presents both physical and transition risks that may affect CDLHT’s assets, operations and long-term value. CDLHT recognises climate-related risks as an emerging risk category and manages these risks within its overall risk governance framework.

Management is responsible for the day-to-day assessment and management of climate-related risks, supported by relevant internal committees and working groups. Climate risks are considered across short, medium and long-term horizons, and assessed under different climate scenarios to understand potential impacts on CDLHT’s portfolio and operations. CDLHT conducted its first climate scenario analysis in FY 2022, aligned with IPCC-based pathways, which continue to inform risk mitigation and adaptation planning. H-REIT Manager has embarked on a refresher review of CDLHT’s climate risk exposure in 2025.

CDLHT’s climate-related risk management and disclosures are guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the ISSB IFRS S2 standard and prepared with reference to the MAS’s Guidelines on Environmental Risk Management for Asset Managers. CDLHT continues to enhance its climate governance and disclosures in line with evolving regulatory and investor expectations.

CORPORATE GOVERNANCE

The Managers recognise that risk management is an ongoing process and will thus, continuously ensure that the current risk management system and processes are in line with industry practices.

During the financial year under review, the ARCs reported to their respective Boards on the nature and extent of the risk management functions performed by them and made recommendations to the Boards on matters within their scope of duties. The ARCs shall within their written terms of reference, specifically:

- review the overall risk appetite and tolerance as determined using the risk limits and/or parameters established by the Management and approved by the ARCs, which limits and/or parameters are to be reviewed from time to time;
- keep under review the key strategic risks (and gaps) identified by the Management and discuss with Management the risk acceptance and/or risk mitigation strategies taken in respect of such risks;
- review H-REIT’s and HBT’s risk profile periodically and assist the Boards in the review of H-REIT’s and HBT’s risk strategy and key risk policies;
- ensure that Management puts in place procedures for accurate and timely monitoring of large exposures and critical risks so that H-REIT and HBT are capable of responding to current and prospective changes within both H-REIT’s and HBT’s business and industry and the macroeconomic and financial environment;
- review reports on any material breaches of risk limits and the adequacy of the proposed actions taken to rectify such breaches; and
- review and report to the Boards annually on the adequacy and effectiveness of the established risk management framework, especially to address H-REIT’s and HBT’s financial, operational, compliance and information technology risks (which review may be carried out internally or with the assistance of competent third parties).

Internal Controls

Having regard to the risks to which the business is exposed, the likelihood of such risks occurring and the costs of mitigating such risks, H-REIT’s and HBT’s internal controls structure have been designed and put in place by Management to provide reasonable assurance against material financial misstatements or loss, for the safeguarding of assets, for the maintenance of proper accounting records, for the provision of financial and other information with integrity, reliability and relevance, and in compliance with applicable laws and regulations. However, no internal controls system can provide absolute assurance in view of inherent limitations of any internal controls system against the occurrence of human and system errors, poor judgement in decision-making, losses, fraud or other irregularities. H-REIT’s and HBT’s internal controls structure includes:

- an external audit programme;
- an internal audit programme;
- a risk management framework established for the identification, evaluation, management and monitoring of its key risks;
- the establishment and review from time to time of policies and procedures which govern and allow for the monitoring of financial, operational and compliance controls; and
- a whistle blowing programme.

The Management provides monthly reports covering H-REIT Group’s and HBT Group’s financial performance to all Directors. Apart from the periodic updates provided by the Management, any member of the H-REIT Manager Board or HBT Trustee-Manager Board may at any time seek further information from and discuss the respective operations and performance with the Management. Each Board also receives a separate quarterly representation on the financial information and controls, that nothing has come to Management’s attention which may render the financial statements to be false or misleading in any material respect.

CORPORATE GOVERNANCE

Based on the internal controls framework established, the independent annual review conducted by an external consultant, work performed by the internal and external auditors, quarterly regulatory and compliance reviews of CDLHT and the written assurance from the CEO and the CFO, the H-REIT Manager Board and HBT Trustee-Manager Board confirm, with the assistance of the ARCs, that they have reviewed the adequacy and effectiveness of H-REIT’s and HBT’s risk management and internal controls systems that addresses the financial, operational, compliance and information technology controls. The Boards, with the concurrence of the ARCs, conclude that the risk management and internal controls systems in place as at 31 December 2025 are adequate and effective to address in all material respects the financial, operational, compliance and information technology risks within the current scope of H-REIT’s and HBT’s business operations and that the financial records have been properly maintained and the financial statements give a true and fair view of the operations and finances of H-REIT and HBT.

Audit Committee
Principle 10

Composition of the ARCs

The ARCs of both the H-REIT Manager and the HBT Trustee-Manager currently comprise three NEDs, all of whom (including the chairman of the ARCs) are independent.

The chairman and members of the ARCs have audit, accounting or finance background and experience. The H-REIT Manager Board and the HBT Trustee-Manager Board are of the view that the ARCs have sufficient financial management expertise and experience amongst their members to discharge the functions of the ARCs within their written terms of reference approved and adopted by the respective Boards.

Powers and Duties of the ARCs

The ARCs are authorised by the H-REIT Manager Board and the HBT Trustee-Manager Board to review and investigate any matters they deem appropriate within their written terms of reference and have direct and unrestricted access to the external auditors and the internal auditors. The ARCs may invite any Director, Management, officer or employee of the H-REIT Manager and/or the HBT Trustee-Manager to attend their meetings. The ARCs are also authorised to engage any firm of accountants, lawyers or other professionals as they see fit to provide independent counsel and advice to assist in the review or investigation on such matters within their terms of reference as they deem appropriate at the expense of the H-REIT Manager and the HBT Trustee-Manager respectively.

The principal responsibility of the ARCs is to assist the H-REIT Manager Board and the HBT Trustee-Manager Board in maintaining a high standard of corporate governance, particularly by providing an independent review of the adequacy and effectiveness of H-REIT’s and HBT’s financial reporting process (including reviewing the accounting policies and practices of the H-REIT Group, the HBT Group and the Stapled Group on a consolidated basis) and risk management and key internal controls, including financial, operational, compliance and information technology controls. Other duties within their written terms of reference include, *inter alia*:

- to monitor the integrity of the financial statements of H-REIT Group, HBT Group and the Stapled Group, in particular, the application and consistency of accounting standards used at company and group levels;
- to assess and challenge, if necessary, the correctness, completeness and consistency of financial information in the financial statements of H-REIT Group, HBT Group and the Stapled Group and any announcements relating to the financial performance of H-REIT Group, HBT Group and the Stapled Group, before submission to the Boards for approval or before they are made public;
- to review the assurance provided by the CEO and the CFO that (a) the financial records have been properly maintained and the financial statements give a true and fair view of the H-REIT Group’s, the HBT Group’s and the Stapled Group’s operations and financial position; and (b) the adequacy and effectiveness of the risk management and internal controls systems;
- to review the adequacy, effectiveness, independence, scope and results of the internal audit function;
- to review the scope and results of the external audit, and the adequacy, effectiveness, independence and objectivity of the external auditors;
- to approve, on behalf of the Boards, the remuneration and terms of engagement of the external auditors;

CORPORATE GOVERNANCE

- to review and make recommendation to the Boards on the appointment, re-appointment or removal of the external auditors;
- to review all Related Party Transactions, Interested Party Transactions (as defined in the Property Funds Appendix) and Interested Person Transactions (as defined in the Listing Manual) entered into from time to time and ensure compliance with the relevant provisions of the Listing Manual of SGX-ST, the Property Funds Appendix and the relevant accounting standards;
- to ensure that the H-REIT Group, the HBT Group and the Stapled Group are in compliance with the applicable laws and regulations; and
- to oversee the establishment and operation of the whistle-blowing processes.

Financial Matters

In the review of the financial statements for FY 2025, the ARCs have discussed with Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements. The following significant matters impacting the financial statements were discussed with Management and the external auditors and were reviewed by the ARCs:

Significant Matters	How the ARCs reviewed these matters and what decisions were made
Valuation of investment properties	The H-REIT Manager ARC and the HBT Trustee-Manager ARC considered the approach and methodology applied to the valuation model in assessing the valuation of the investment properties. The ARCs noted that: • there was appropriate use of third party valuation expertise; • sufficient robust challenge was given to management by the external auditors; • material judgemental assumptions that were used in the valuations were within reasonable parameters; and • conclusions have been appropriately drawn. The valuation of the investment properties was an area of focus by the external auditors. The external auditors have included this item as a key audit matter in their audit report for the financial year ended 31 December 2025. Refer to page 194 of this Annual Report.
Valuation of property, plant and equipment	The H-REIT Manager ARC and the HBT Trustee-Manager ARC considered the approach and methodology applied to the valuation model in assessing the valuation of the property, plant and equipment. The ARCs noted that: • there was appropriate use of third party valuation expertise; • sufficient robust challenge was given to management by the external auditors; • material judgemental assumptions that were used in the valuations were within reasonable parameters; and • conclusions have been appropriately drawn. The valuation of property, plant and equipment was an area of focus by the external auditors. The external auditors have included this item as a key audit matter in their audit report for the financial year ended 31 December 2025. Refer to pages 194 and 195 of this Annual Report.

During the financial year under review, the ARCs have established an internal controls system to ensure that all Related Party Transactions, Interested Party Transactions (as defined in the Property Funds Appendix) and Interested Person Transactions (as defined in the Listing Manual) are undertaken on normal commercial terms and are not prejudicial to the interests of Stapled Security Holders. The ARCs have been kept abreast on changes to the accounting standards and issues which have direct impact on the H-REIT Group's, the HBT Group's and the Stapled Group's financial statements by the CFO and the external auditors during FY 2025.

CORPORATE GOVERNANCE

The ARCs held four meetings each during the year respectively and carried out their duties as set out within the terms of reference. The Company Secretaries maintain records of all ARC meetings including records of discussions on key deliberations and decisions taken. The ARCs met with the external auditors separately without the presence of Management annually.

In performing its duties, the ARCs also took guidance from the Audit Committee Guide and the Board Risk Committee Guide both issued by the SID. For the financial year under review, the ARCs conducted a self-assessment of its effectiveness in the discharge of its duties and responsibilities. The assessment was facilitated through the use of a self-assessment checklist ("**ARC Self-Assessment Checklist**") which covered, *inter alia*, the responsibilities of the ARCs under their terms of reference.

Based on the outcome of the self-assessment, the H-REIT Manager ARC and the HBT Trustee-Manager ARC agreed that they had fulfilled their responsibilities and discharged their duties as set out in their terms of reference.

External Auditors

The ARCs had evaluated the performance of the external auditors for FY 2025. The ARCs also reviewed the responses furnished by KPMG LLP ("**KPMG**") based on the sample questionnaire set out in the Guidebook for Audit Committees in Singapore produced by the Audit Committee Guidance Committee.

Taking cognisance that the external auditors should be free from any business or other relationships with the H-REIT Group, HBT Group and the Stapled Group that could materially interfere with their ability to act with integrity and objectivity, the ARCs had, in 2025, undertaken a review of the independence of KPMG and gave careful consideration to the H-REIT Group's, the HBT Group's and the Stapled Group's relationships with them during 2025 including the processes, policies and safeguards adopted by the H-REIT Group, the HBT Group and the Stapled Group. The ARCs also considered the nature of the provision of the non-audit services in 2025 and the corresponding fees and are of the opinion that such non-audit fees did not impair or threaten the audit independence. Based on the review, the ARCs are of the opinion that KPMG is, and is perceived to be, independent for the purpose of the H-REIT Group's, HBT Group's and the Stapled Group's statutory audit.

For details of the fees paid and/or payable by the H-REIT Group, HBT Group and the Stapled Group in respect of audit and non-audit services for FY 2025, please refer to Note 20 of the Notes to the Financial Statements.

In reviewing the nomination of KPMG for re-appointment for the financial year ending 31 December 2026, the ARCs had taken into consideration the Audit Quality Indicators Framework introduced by ACRA. The ARCs also considered the following in their review:

- (i) the adequacy and experience of the supervisory and professional staff of KPMG assigned to the audit of the H-REIT Group, HBT Group and the Stapled Group;
- (ii) the audit engagement partner assigned to the audit;
- (iii) KPMG's past experience in auditing clients in the REIT sector; and
- (iv) the size and complexity of the audit exercise for the H-REIT Group, HBT Group and the Stapled Group.

KPMG have confirmed that they are registered with ACRA in accordance with Rule 712(2) of the Listing Manual of SGX-ST. The Stapled Group is thus in compliance with Rules 712 and 715 (read with Rule 716) of the Listing Manual of SGX-ST in relation to the appointment of its auditors.

On the basis of the above, the ARCs have recommended to the Boards the nomination of KPMG for re-appointment as external auditors of the H-REIT Group, HBT Group and the Stapled Group at the 2026 Annual General Meetings ("**2026 AGMs**").

CORPORATE GOVERNANCE

Whistle Blowing Policy

The H-REIT Manager and the HBT Trustee-Manager have in place a whistle blowing policy setting out the procedure where staff of the H-REIT Manager and the HBT Trustee-Manager and other persons can raise in confidence, whether anonymously or otherwise, concerns on possible improprieties relating to accounting, financial reporting, internal controls and auditing matters, without fear of reprisals in any form. The ARCs have the responsibility of overseeing this policy which is administered with the assistance of Management. Under these procedures, arrangements are in place for independent investigation of such matters raised and for appropriate follow up action to be taken.

The H-REIT Manager and the HBT Trustee-Manager are committed to maintaining procedures for the confidential and anonymous submission of reports and the anonymity of whistle-blowers concerned will be maintained where so requested by the whistle-blowers who lodged the report. Investigations into such reports will be handled on a confidential basis to the extent permissible or deemed appropriate under the circumstances, and involve persons who need to be involved in order to properly carry out the investigation and will, on a best efforts basis, be carried out in a timely manner.

In order to facilitate and encourage the reporting of such matters, the whistleblowing policy, including the dedicated whistle blowing email address at archairman@cdlht.com and postal correspondence channel are available on CDLHT’s website and clearly communicates to employees the existence of a whistle-blowing policy. The whistle blowing policy and procedural arrangements are reviewed by the ARCs from time to time.

Internal Audit

Internal Audit (“IA”) plays an important role in monitoring an effective system of internal controls. The IA function of the Singapore hotels’ operations (except for W Singapore – Sentosa Cove) which are managed by Millennium & Copthorne International Limited, is performed by the internal audit team of CDL, parent company of the Managers, who presents their control findings to the H-REIT Manager’s ARC. Deloitte & Touche Enterprise Risk Services Pte Ltd (“**Deloitte IA**”), staffed with professionals with relevant qualifications and experience, has been appointed for the IA work on the H-REIT Manager, HBT Trustee-Manager, and hospitality, retail and living asset properties which are not managed by the Sponsor group. The ARCs review the IA plan and Deloitte IA reports its control findings to the ARCs. Deloitte IA’s appointment and removal as the internal auditor requires the approval of the ARCs of the H-REIT Manager and HBT Trustee-Manager.

The internal auditors have adopted the standards set by internationally recognised professional bodies including the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

Processes are in place such that material control weaknesses raised in the IA reports are dealt with in a timely manner, with outstanding exceptions or recommendations being closely monitored and reported back to the ARCs on a half-yearly basis.

The ARCs review the activities of the internal auditors on a half-yearly basis and are satisfied that the IA function is independent of the activities which it audits; is adequately resourced; and has appropriate standing within the H-REIT Manager and HBT Trustee-Manager to perform their role and responsibilities effectively. The ARC’s evaluation of Deloitte IA function’s effectiveness was guided by the ARC’s self-assessment checklist as well as through the reports submitted by Deloitte at ARC meetings.

The ARCs met with the internal auditors separately without the presence of Management in January 2026.

RIGHTS OF STAPLED SECURITY HOLDERS AND ENGAGEMENT

Rights of Stapled Security Holders and Conduct of General Meetings
Principle 11

Being committed to good corporate practices, the H-REIT Manager and the HBT Trustee-Manager treat all Stapled Security Holders fairly and equitably. To facilitate the exercise of Stapled Security Holders’ rights, the H-REIT Manager and the HBT Trustee-Manager ensure that all material information relating to the Stapled Group and its financial performance is disclosed in an accurate and timely manner via SGXNet.

CORPORATE GOVERNANCE

All Stapled Security Holders are entitled to attend and vote at general meetings in person or by proxy. The rules including the voting procedures are set out in the notice of general meetings. In accordance with the H-REIT Trust Deed (as amended) and HBT Trust Deed (as amended), Stapled Security Holders who are not relevant intermediaries may appoint not more than two proxies to attend, speak and vote at general meetings in their absence, and Stapled Security Holders who are relevant intermediaries may appoint more than two proxies to attend, speak and vote at general meetings.

The proxy forms must be deposited at such place or places specified in the notice convening the general meetings not less than forty-eight (48) hours before the time set for the general meetings. Separate resolutions on each substantial issue are put to vote at the general meetings. Detailed information on each item in the agenda of the general meetings is in the explanatory notes to the notice of the general meetings.

At general meetings, Stapled Security Holders are given the opportunity to communicate their views and are encouraged to ask the H-REIT Manager Board and the HBT Trustee-Manager Board and the Management questions regarding matters affecting H-REIT and HBT. Stapled Security Holders can submit questions in advance of the general meetings and substantial and relevant questions will be addressed prior to or at the general meetings. A presentation slides, which included an overview of CDLHT were also made available on SGX-ST prior to the AGMs, and CDLHT’s website.

All Stapled Security Holders are allowed to vote in person or by proxy. As the authentication of a Stapled Security Holder’s identity information and other related integrity issues still remain a concern, the H-REIT Manager and HBT Trustee-Manager have decided, for the time being, not to implement voting in absentia by mail or electronic means as recommended by Provision 11.4 of the CG Code.

Pursuant to Rule 730A(2) of the Listing Manual of SGX, all resolutions proposed at AGMs and at any adjournment thereof shall be put to vote by way of poll. In support of greater transparency and to allow for a more efficient voting system, the H-REIT Manager and the HBT Trustee-Manager have introduced electronic poll voting instead of voting by show of hands since the 2014 AGMs. With electronic poll voting, Stapled Security Holders present in person or represented by proxy at the meeting are entitled to vote on a “one-stapled security, one-vote” basis. The voting results of all votes cast in respect of each resolution will also be instantaneously displayed on-screen at the meeting. An external firm will be appointed as scrutineers for the AGMs voting process, which is independent of the firm appointed to undertake the electronic poll voting process. The detailed results setting out the number of votes cast for and against each resolution and the respective percentages will be announced via SGXNet after the AGMs.

The H-REIT Manager and HBT Trustee-Manager also maintain minutes of the general meetings, which includes the key comments and queries raised by Stapled Security Holders and the responses from the H-REIT Manager Board, HBT Trustee-Manager Board, Management and/or the external auditors. The minutes of the general meetings will be made available on the corporate website as soon as practicable.

2025 AGMs

The last Annual General Meetings (“**2025 AGMs**”) of H-REIT and HBT were held on 24 April 2025 in a wholly physical mode, at Grand Millennium Copthorne Waterfront Singapore. The notice of 2025 AGMs together with a copy each of the proxy form and AR request form for the use of the Stapled Security Holders were sent by post to them. These documents were published on the website of CDLHT and released via SGXNet. The Stapled Security Holders (including CPF and SRS investors) who participated at the 2025 AGMs were able to submit questions in advance or during the 2025 AGMs and/or appoint proxy(ies) to attend, speak and vote on their behalf at the 2025 AGMs. All substantial and relevant questions submitted by the Stapled Security Holders prior to the 2025 AGM, as well as those received live, were addressed by CDLHT.

The resolutions tabled at 2025 AGMs for approval have not been bundled or made inter-conditional on each other. The Stapled Security Holders were given the right to express their views and exercise their voting rights on each resolution separately. At the 2025 AGMs, the CEO took the Stapled Security Holders through a presentation, which included an overview of CDLHT’s FY 2024 performance, key highlights and the outlook for 2025. The presentation slides were made available on SGX-ST and CDLHT’s website prior to the 2025 AGMs.

All the Directors including the chairmen of the ARCs and NRCs as well as the Management, external auditors and legal adviser had attended 2025 AGMs. The Directors also took the opportunity to interact with the Stapled Security Holders before and after 2025 AGMs.

CORPORATE GOVERNANCE

All resolutions at 2025 AGMs were put to the vote by electronic poll voting and a video on how to vote was screened at 2025 AGMs. T S Tay Public Accounting Corporation, an independent scrutineer was appointed to count and validate the votes at 2025 AGMs. The detailed results showing the number of votes cast for and against each resolution and the respective percentages were displayed at the 2025 AGMs right after the votes are casted and detailed voting results were released on the same day via SGXNet. The minutes of 2025 AGM, including a summary of the questions from the Stapled Security Holders and the responses from the Chairman and Management, were released via SGXNet within one month from 2025 AGMs. The minutes of 2025 AGMs was also made available on CDLHT’s website.

Forthcoming 2026 AGMs

The forthcoming 2026 AGMs will continue to be held, in a wholly physical mode, at Grand Copthorne Waterfront Hotel on 24 April 2026. There will be no option for Stapled Security Holders to participate virtually.

Distribution Policy

H-REIT’s current distribution policy is to distribute at least 90.0% of its taxable income and its tax-exempt income (if any), with the actual level of distribution to be determined at the H-REIT Manager’s discretion. H-REIT makes distributions to unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates. Distributions, when paid, will be in Singapore Dollars. As for HBT’s distribution policy, the determination to distribute and the quantum of distributions will be made by the HBT Trustee-Manager Board at its sole discretion.

Engagement with Stapled Security Holders
Principle 12

The H-REIT Manager Board and the HBT Trustee-Manager Board provide the Stapled Security Holders with half year and full year financial results of the H-REIT Group, the HBT Group and the Stapled Group. The unaudited half year results of the H-REIT Group, the HBT Group and the Stapled Group were released to Stapled Security Holders within 45 days of the end of the six-month period whilst unaudited full year results of the H-REIT Group, HBT Group and the Stapled Group were released within 60 days from the financial year ended 31 December 2025. In presenting the 2025 full year and half-yearly results of the H-REIT Group, the HBT Group and the Stapled Group as well as operational updates for first and third quarters, the H-REIT Manager Board and HBT Trustee-Manager Board aimed to provide the Stapled Security Holders with a balanced and understandable assessment of the performance and financial position of the H-REIT Group, the HBT Group and the Stapled Group, with a commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which CDLHT operates.

The H-REIT Manager and the HBT Trustee-Manager ensure that Stapled Security Holders are notified of all material information in an accurate and timely manner, including the date of release of the financial results of the H-REIT Group, the HBT Group and the Stapled Group via SGXNet. The half year and full year financial results of the H-REIT Group, the HBT Group and the Stapled Group are announced within the mandatory period. The financial statements of the H-REIT Group, the HBT Group and the Stapled Group and other presentation materials presented at general meetings, including material and price-sensitive information, are disseminated and publicly released via SGXNet on a timely basis.

All Stapled Security Holders receive the annual report of CDLHT, the HBT Trustee-Manager’s financial statements and Notice of general meetings. Stapled Security Holders, stakeholders and investors can access information on CDLHT at its website at www.cdlht.com which provides, *inter alia*, corporate announcements, press releases and the latest financial results as disclosed by CDLHT on SGXNet.

From time to time, the Management of the H-REIT Manager and the HBT Trustee-Manager hold briefings with analysts and the media to coincide with the release of CDLHT’s half year and full year financial results. Presentation slides are also released on SGXNet and made available on the CDLHT’s website. In addition, the Management takes an active role in investor relations, meeting local and foreign fund managers regularly as well as participating in roadshows and conferences both locally and overseas.

CORPORATE GOVERNANCE

Investor Relations Policy

The H-REIT Manager and the HBT Trustee-Manager are committed to building investor confidence and trust through effective open, two-way communication with Stapled Security Holders, the investment community and the media. The Investor Relations (“IR”) Policy, available on the CDLHT’s corporate website, sets out the process and mechanism to engage its stakeholders, including the channel of communication through which Stapled Security Holders and investors may pose queries and through which the Company may respond. The IR Policy outlines the principles and framework in which the Company communicates and engages with investors, analysts and other IR stakeholders to provide balanced, clear and pertinent information.

Engagement with Stakeholders
Principle 13

The Management of the H-REIT Manager and the HBT Trustee-Manager noted that the relationships with the key stakeholders may have an impact on the CDLHT’s long term sustainability. Regular dialogue with key stakeholders such as the Boards, employees, Trustee, master lessees, hotel managers, hotel guests, tenants, suppliers, government/ regulators, investors and local communities are ongoing to better understand and manage their expectations.

The Managers are committed to sustainability issues and more details can be found on CDLHT’s Sustainability Report found on pages 98 to 149 of this Annual Report.

The rights of one of CDLHT’s key trade creditors, the lending banks, are protected. The Managers ensure that the gearing ratio is well below the regulatory limits and that the loan covenants are complied with.

ADDITIONAL INFORMATION

Rationale for Choice of H-REIT Manager

The H-REIT Manager comprises staff with experience and competencies such as hospitality, investment, investor relations, asset management, capital markets and finance. This enables the H-REIT Manager to discharge its duties in an effective manner. The H-REIT Manager’s Board of Directors has a majority of Independent Directors. Their collective expertise and diverse background contribute to the sound governance of the H-REIT Manager and CDLHT.

Provision for Removal of H-REIT Manager and HBT Trustee-Manager

Under certain circumstances as provided for in the H-REIT Trust Deed, the H-REIT Manager may be removed by notice in writing given by the H-REIT Trustee, including by a resolution passed by a simple majority of H-REIT Unitholders present and voting (with no H-REIT Unitholders being disenfranchised) at a general meeting duly convened and held in accordance with the provisions of the H-REIT Trust Deed. In the case of HBT, the removal of the HBT Trustee-Manager shall only be in accordance with the relevant laws, regulations and guidelines.

Availability of H-REIT and HBT Trust Deeds

Copies of the H-REIT and HBT Trust Deeds are available for inspection at the registered offices of the Managers during business hours. Prior appointment is appreciated. A nominal charge will be applied for photocopies of the Trust Deeds.

Dealing with Conflicts of Interest

The Managers have established the following procedures to manage conflicts of interest involving CDLHT:

- (i) In respect of matters which a Director and his or her associates have an interest, direct or indirect, the interested Director will inform the Boards as soon as he or she becomes aware of the matter and abstain from voting. The quorum will comprise a majority without the interested Director’s vote;
- (ii) In respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any director appointed to represent their interests will abstain from voting on such matters. The quorum will comprise a majority of the IDs and will exclude the director representing the Sponsor’s interests; and
- (iii) At least two thirds of the Boards shall comprise IDs, as disclosed on page 51 of this Annual Report.

CORPORATE GOVERNANCE

In FY 2025, there are no material contracts entered into by CDLHT or any of its subsidiaries that involve the interests of any Director, the CEO or any controlling Stapled Security Holders save as disclosed in this Annual Report. There were no conflicts of interest reported by each director in the financial year.

Dealing with Interested Party Transactions (as defined in the Property Funds Appendix) and Interested Person Transactions (as defined in the Listing Manual) (collectively, "IPT")

With regards to IPT, the Managers are guided by the following principles:

- (i) IPT will be undertaken on an arm's length basis with normal commercial terms;
- (ii) IPT must not be prejudicial to the interests of CDLHT and its minority Stapled Security Holders; and
- (iii) IPT are compliant with applicable SGX Listing Rules and other regulatory guidelines as prescribed from time to time.

For IPT concerning H-REIT which are entered or to be entered by the H-REIT Trustee (acting in its capacity as trustee of H-REIT), the H-REIT Trustee is required to consider the terms of the IPT to satisfy itself that such transactions are conducted as per the principles stated above.

Furthermore, the H-REIT Trustee has the ultimate discretion under the Trust Deed to decide whether or not to enter into an IPT. If the H-REIT Trustee is to sign any IPT contract, the Trustee will review the contract to ensure that it complies with the requirements relating to IPT as well as guidelines (amended from time to time) prescribed by the MAS and the SGX-ST to apply to real estate investment trusts.

Information on the measures and procedures put in place by the HBT Trustee-Manager to manage potential IPT can also be found in the Statement on the Policies and Practices in Relation to the Management and Governance of CDL Hospitality Business Trust on pages 179 to 185 of this Annual Report.

The Managers maintain master registers of all IPT and related party transactions entered into by CDLHT. The ARCs review the master registers quarterly to ensure IPT are in compliance with the Managers' internal controls systems, the SGX Listing Manual and the Property Funds Appendix.

Please refer to page 308 of this Annual Report for more details about IPT in FY 2025.

Anti-Corruption, Anti-Bribery and Code of Conduct and Ethics

The H-REIT Manager Board, HBT Trustee-Manager Board and Management are committed to conducting business with integrity and consistent with the highest standards of business ethics, and in compliance with all applicable laws and regulatory requirements. There is no tolerance for bribery or corruption. To mitigate reputational risk, the Managers have established various policies and guidelines to guide employees of the Managers, such as the receipt of corporate gifts, entertainment or concessionary offerings in order to avoid any misperception of impropriety. The Managers also uphold the anti-corruption and anti-bribery clauses found in some contractual agreements when dealing with business partners.

The Managers have also adopted an internal code of business and ethical conduct which sets out the business principles and practices with respect to matters which may have ethical implications. The code provides a communicable and understandable framework for employees of the Managers to observe principles such as honesty, integrity, responsibility and accountability at all levels of the organisation and in the conduct of business in their relationships with suppliers and amongst employees, including situations where there are potential conflicts of interests.

New employees of the Managers are made aware of the importance of business ethics as part of their orientation and on a periodic basis, employees of the Managers undergo refresher training. Employees of the Managers also provide an annual self-attestation to affirm their fit and proper status. The various anti-corruption policies and the internal code of business and ethical conduct are made available to all employees of the Managers.

CORPORATE GOVERNANCE

Confidential Information

The H-REIT Manager and HBT Trustee-Manager may in the course of business, collect, process, use or disclose personal data of individuals, including H-REIT and HBT Unitholders, employees, lessees or tenants, and in some cases, guests or employees of hotels owned, third-party hotel owners, agents, partners, suppliers and other individuals. The CDLHT Data Protection Handbook is in place to ensure that the personal data processed is subject to certain legal safeguards and restrictions, in line with the requirements of the Personal Data Protection Act and SFA.

Internal Code on Dealings in Securities

The H-REIT Manager and the HBT Trustee-Manager have in place an internal code on securities trading which sets out the implications of insider trading and provides guidance and internal regulation with regard to dealings in the stapled securities of CDLHT by the Managers, Directors and employees of both the Managers and CDLHT being the listed issuer. These guidelines prohibit dealing in the stapled securities of CDLHT (a) on short-term considerations, (b) while in possession of unpublished material price-sensitive information in relation to such stapled securities, and (c) during the "closed period", which is defined as one month before the date of announcement of the H-REIT's and HBT's half-yearly and full-year financial results, and ending on the date of the announcement of the relevant results. The Directors and employees of the H-REIT Manager are notified in advance of the commencement of each "closed period" relating to dealing in the stapled securities of CDLHT.

A pre-trading approval process is in place for Directors and the CEO of the Managers who intend to trade in CDLHT's stapled securities. Dealings by each Director and the Chief Executive Officer in CDLHT's stapled securities are disclosed in accordance with the applicable SGX listing rules and the SFA. In FY 2025, based on the information available to the Managers, save as disclosed in accordance with such requirements, there were no dealings by the Directors in CDLHT's stapled securities.

STATEMENT OF POLICIES AND PRACTICES OF HBT

Apart from the corporate governance practices disclosed above, the HBT Trustee-Manager has prepared a statement of policies and practices in relation to the management and governance of HBT (as described in section 87(1) of the Business Trusts Act 2004) in respect of FY 2025, which is set out on pages 179 to 185 of this Annual Report.

ADDITIONAL DISCLOSURE ON FEES PAYABLE TO THE REIT MANAGER

Pursuant to the Clauses 14.1, 14.2 and 14.7 of the H-REIT Trust Deed, the H-REIT Manager is entitled to receive fees payable out of the deposited property of H-REIT.

The methodology for the computation and payment of fees, with reference to the aforesaid Trust Deed clauses, is disclosed on pages 217 to 220 of this Annual Report. The various fees earned by the H-REIT Manager and their rationale are further elaborated as follows:

Management Fee

The base fee covers the H-REIT Manager's operational, compliance, reporting and administrative costs for developing and executing strategies and business plans for H-REIT and represents fair compensation to the H-REIT Manager for discharging its core responsibilities and duties. It is based on a percentage of the value of H-REIT's deposited properties and is an appropriate metric because as H-REIT grows in size and complexity, the Manager's responsibilities will grow correspondingly.

The performance fee payable to the H-REIT Manager is based on a percentage of the H-REIT Group's net property income. The fee methodology is transparent and reflective of the alignment of interest between the H-REIT Manager and Stapled Security Holders in growing higher property income over the long term through proactive management which includes working with lessees/ hotel managers to drive revenues and cost efficiencies at the property level, carrying out asset enhancement, repositioning or rebranding initiatives, operator selection exercises and negotiation of commercial lease terms or management contract terms. Accordingly, the H-REIT Board is of the view that the performance fee will incentivise the H-REIT Manager to take a holistic and balanced approach towards seeking growth opportunities and encourage the H-REIT Manager to act in the interests of Stapled Security Holders to enhance the net property income and consequently the long-term value of assets.

CORPORATE GOVERNANCE

Acquisition fee & Divestment fee

The acquisition fee and divestment fee payable to the H-REIT Manager serve as a form of compensation for the time, effort and resources spent in sourcing, evaluating, conducting due diligence and executing potential opportunities to acquire new properties or in rebalancing and unlocking the underlying value of existing properties by divestments respectively.

The H-REIT Manager provides these services over and above the provision of ongoing management services with the aim of generating long-term value for Stapled Security Holders. The acquisition fee is higher than the divestment fee because the time and efforts undertaken in terms of sourcing, evaluating and conducting due diligence, and fund raising for an acquisition, are higher as compared to a divestment.

Development Management fee

The development management fee payable is to compensate the H-REIT Manager for its time, costs and effort in facilitating the undertaking of development projects, on behalf of H-REIT, when an attractive opportunity arises which is beneficial to Stapled Security Holders as development projects can potentially provide significant returns and contribute to improving the net asset value of H-REIT’s portfolio, and provide growing distributions to Stapled Security Holders.

The development management fee is higher than the acquisition fee because unlike outright acquisitions of completed income-producing properties, the process of property development is more complex as it requires a longer gestation period and involves the management and supervision of significant construction activity. The gestation period (i.e. from the time taken between identification of development opportunities and the confirmation of a deal) may take up to a year and sometimes longer. From confirmation of a deal to the completion of the construction of the development project, the development management process may typically take 12 to 36 months depending on the size, complexity and location of the project. In contrast, the time frame for outright acquisitions may be as short as three to six months from the initial inspection until the completion of the acquisition.

In addition, development management usually involves more extensive liaisons with external parties such as architects, engineers, designers, contractors and the relevant authorities. The services rendered for a development project is significantly more than the services rendered for an acquisition.

STATEMENT OF POLICIES AND PRACTICES
IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF
CDL HOSPITALITY BUSINESS TRUST

CDL Hospitality Business Trust’s (“**HBT**”) principal investment strategy includes investing in a diversified portfolio of real estate or development projects, which is or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes globally and may also include the operation and management of real estate assets held by CDL Hospitality Real Estate Investment Trust (“**H-REIT**”) and HBT.

Hotels owned by the HBT Group include Hilton Cambridge City Centre, The Lowry Hotel and Hotel Indigo Exeter. HBT Group also owns The Castings, a residential build-to-rent property and the vacant freehold land adjacent to Benson Yard, a purpose-built student accommodation property wholly-owned by a subsidiary of H-REIT. All these properties are located in the United Kingdom.

HBT may also act as the master lessee of H-REIT’s hotels and was first activated on 31 December 2013 by M&C Business Trust Management Limited, as the trustee-manager of HBT (the “**HBT Trustee-Manager**”), to act as the master lessee of The Halcyon Private Isles Maldives, Autograph Collection (formerly known as Raffles Maldives Meradhoo). This property was acquired by a wholly-owned subsidiary of H-REIT and leased to a wholly-owned subsidiary of HBT. Since then, HBT’s subsidiaries have assumed the role of master lessee of another five properties held under H-REIT group, namely Hotel MyStays Asakusabashi and Hotel MyStays Kamata in Japan, W Singapore - Sentosa Cove in Singapore as well as Ibis Perth and Mercure Perth in Australia. These properties are managed by third-party hotel management companies.

The Board of Directors of the HBT Trustee-Manager (the “**HBT Trustee-Manager Board**”) is responsible for safeguarding the interests of the unitholders of HBT (the “**HBT Unitholders**”) as a whole and managing the business of HBT. The HBT Trustee-Manager has general power of management over the business and assets of HBT and its main responsibility is to manage HBT’s assets and liabilities for the benefit of the HBT Unitholders as a whole. In the event of a conflict between the interests of the HBT Unitholders as a whole and its own interests, the HBT Trustee-Manager will give priority to the interests of the HBT Unitholders as a whole over its own interests.

The HBT Trustee-Manager Board is also obliged to exercise due care to comply with the relevant provisions of all applicable legislations and regulations, the listing manual of Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), the trust deed constituting HBT dated 12 June 2006 (as amended from time to time) (the “**HBT Trust Deed**”), the stapling deed dated 12 June 2006 (as amended from time to time) (the “**Stapling Deed**”) and all relevant contracts entered into by HBT.

The HBT Trustee-Manager, in exercising its powers and carrying out its duties as trustee-manager of the HBT, is required to, and will:

- treat the HBT Unitholders who hold units of HBT (“**HBT Units**”) in the same class fairly and equally and HBT Unitholders who hold HBT Units in different classes (if any) fairly;
- ensure that all payments out of the trust property of HBT (the “**HBT Trust Property**”) are made in accordance with the Business Trusts Act 2004 (the “**BTA**”), the HBT Trust Deed and the Stapling Deed;
- report to Monetary Authority of Singapore (“**MAS**”) any contravention of the BTA or Business Trusts Regulations by any other person that:
 - o relates to HBT; and
 - o has had, has or is likely to have, a material adverse effect on the interests of all the HBT Unitholders, or any class of HBT Unitholders, as a whole,as soon as practicable after the HBT Trustee-Manager becomes aware of the contravention;
- ensure that the HBT Trust Property is properly accounted for; and
- ensure that the HBT Trust Property is kept distinct from the property of the HBT Trustee-Manager held in its own capacity.

STATEMENT OF POLICIES AND PRACTICES
IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF
CDL HOSPITALITY BUSINESS TRUST

In addition, the HBT Trustee-Manager will:

- at all times act honestly and exercise reasonable diligence in the discharge of its duties as the trustee-manager of the HBT in accordance with the BTA, the HBT Trust Deed and the Stapling Deed;
- act in the best interests of all the HBT Unitholders as a whole and give priority to the interests of all HBT Unitholders as a whole over its own interests in the event of a conflict between the interests of all HBT Unitholders as a whole and its own interests;
- not make improper use of any information acquired by virtue of its position as the HBT Trustee-Manager to gain, directly or indirectly, an advantage for itself or for any other person to the detriment of the HBT Unitholders;
- hold the HBT Trust Property on trust for all HBT Unitholders as a whole in accordance with the terms of the HBT Trust Deed;
- adhere with the business scope of HBT as set out in the HBT Trust Deed;
- review interested person transactions in relation to HBT;
- review expense and cost allocations payable to the HBT Trustee-Manager in its capacity as trustee-manager of HBT out of the HBT Trust Property and ensure that fees and expenses charged to HBT are appropriate and in accordance with the HBT Trust Deed; and
- comply with the BTA and the Listing Manual.

The MAS has granted the HBT Trustee-Manager an exemption from compliance with Section 10(2)(a) of the BTA and the directors of the HBT Trustee-Manager (the **“HBT Trustee-Manager Directors”**) from compliance with Section 11(1)(a) of the BTA subject to the condition that for the duration of the time that the HBT Units are stapled to the units of H-REIT, the HBT Trustee-Manager and HBT Trustee-Manager Directors shall act in the best interests of all the holders of the stapled securities (**“Stapled Security Holders”**) of CDL Hospitality Trusts (**“CDLHT”**).

Waivers, subject to certain conditions, were obtained from the MAS to permit HBT to (i) provide the documents referred to under Sections 33(2)(a) and 78(1) of the BTA to Stapled Security Holders electronically; and (ii) give notice of any declaration of distribution of profits, income or other payments or returns (the **“Notice”**) from the trust property of HBT to Stapled Security Holders electronically, in lieu of publication of the Notice in one or more newspapers circulating in Singapore as required under Section 33(2)(b) of the BTA.

The HBT Trustee-Manager Board, in exercising its power and carrying out its duties as trustee-manager of HBT, has put in place measures to ensure that:

- the HBT Trust Property is properly accounted for and is kept distinct from the property held by the HBT Trustee-Manager in its own capacity;
- the business scope of HBT as set out in the HBT Trust Deed has been adhered to;
- potential conflicts between the interests of the HBT Trustee-Manager and the interests of the HBT Unitholders as a whole are appropriately managed;
- interested person transactions are transparent, properly recorded and disclosed;
- expenses and cost allocations payable to the HBT Trustee-Manager out of the HBT Trust Property, and the fees and expenses charged to HBT are appropriate and are made in accordance with the HBT Trust Deed; and
- the BTA, Business Trusts Regulations and the Listing Manual have been complied with.

The HBT Trustee-Manager has also adopted a set of corporate governance practices as set out on pages 150 to 178 of this Annual Report.

STATEMENT OF POLICIES AND PRACTICES
IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF
CDL HOSPITALITY BUSINESS TRUST

HBT Trust Property Properly Accounted For

To ensure that the HBT Trust Property is properly accounted for and is kept distinct from the property held by the HBT Trustee-Manager in its own capacity, the accounting records of HBT are kept separate and distinct from the accounting records of the HBT Trustee-Manager. The Trustee-Manager maintains different bank accounts in its own capacity and in its capacity as the Trustee-Manager of HBT. Regular internal reviews are also carried out to ascertain that all Trust Property of HBT has been fully accounted for.

Each of the financial statements of HBT and HBT Trustee-Manager are approved by the HBT Trustee-Manager Directors on a half-yearly basis. Each of the financial statements of HBT and HBT Trustee-Manager are also kept separate and distinct and are duly audited by external auditors on an annual basis to ensure that the HBT Trust Property is properly accounted for and the HBT Trust Property is kept distinct from the property of the HBT Trustee-Manager held in its own capacity.

Adherence to Business Scope

The HBT Trustee-Manager Board reviews and approves all authorised businesses undertaken by HBT so as to ensure its adherence to the business scope under the HBT Trust Deed. Such authorised businesses include:

- (i) the investment in, development of, operation of and/or management of real estate and real estate related assets and all activities, concerns, functions and matters reasonably incidental thereto;
- (ii) acquisition, disposition, ownership, management, operation, finance leasing and leasing of real estate and real estate related assets and all activities, concerns, functions and matters reasonably incidental thereto; and
- (iii) any business, undertaking or activity associated with, incidental and/or ancillary to the carrying on of the businesses referred to in paragraphs (i) and (ii),

whether directly, indirectly through subsidiaries or in the form of joint ventures together with other parties.

Management provides regular updates to the Board and the Audit and Risk Committee of the HBT Trustee-Manager about potential projects that it is looking into on behalf of HBT and the Board and the Audit and Risk Committee of the HBT Trustee-Manager ensure that all such projects are within the permitted business scope under the HBT Trust Deed. Prior to the carrying out of any significant business transactions, the Board, the Audit and Risk Committee and/or management of the HBT Trustee-Manager will have careful regard to the provisions of the HBT Trust Deed and when in doubt, will seek advice from professional advisers.

Potential conflicts of interest

The HBT Trustee-Manager is not involved in any other businesses other than managing HBT. All potential conflicts of interest, as and when they arise, will be identified by the HBT Trustee-Manager Board and management, and will be reviewed accordingly.

As the HBT Trustee-Manager is an indirect wholly-owned subsidiary of Millennium & Copthorne Hotels Limited (the **“Sponsor”**), being the sponsor and controlling unitholder of HBT, there may be potential conflicts of interest between HBT, the HBT Trustee-Manager and the Sponsor.

The HBT Trustee-Manager has instituted, among others, the following procedures to deal with issues of conflicts of interest:

- The HBT Trustee-Manager Board comprises four independent directors who do not have management or business relationships with the HBT Trustee-Manager and are independent from the substantial shareholder of the HBT Trustee-Manager. The independent directors form the majority of the HBT Trustee-Manager Board. This allows the HBT Trustee-Manager Board to examine independently and objectively, any potential issue of conflicts of interest arising between the HBT Trustee-Manager in its own capacity and the HBT Unitholders as a whole.
- In respect of matters in which the Sponsor and/or its subsidiaries has an interest, direct or indirect, any nominees appointed by the Sponsor and/or its subsidiaries to the HBT Trustee-Manager Board to represent its/their interests will abstain from voting. In such matters, the quorum shall comprise a majority of the independent HBT Trustee-Manager Directors and shall exclude nominee director of the Sponsor and/or its subsidiaries.

STATEMENT OF POLICIES AND PRACTICES
IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF
CDL HOSPITALITY BUSINESS TRUST

- In respect of matters in which a HBT Trustee-Manager Director or his/her Associates (as defined in the Listing Manual) has an interest, direct or indirect, such interested Director shall abstain from voting in such matters. The quorum must comprise a majority of the HBT Trustee-Manager Directors and must exclude such interested director.
- Employees, if any, are directly employed by the HBT Trustee-Manager.
- All resolutions in writing of the HBT Trustee-Manager Directors in relation to matters concerning HBT must be approved by all the HBT Trustee-Manager Directors.
- Where matters concerning HBT relate to transactions to be entered into by the HBT Trustee-Manager for and on behalf of HBT with an interested person of the HBT Trustee-Manager or HBT (which would include relevant associates thereof), the Audit and Risk Committee is required to consider the terms of such transactions (except transactions under agreements which are deemed to have been specifically approved by HBT Unitholders upon purchase of HBT Units) to satisfy itself that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of HBT and the HBT Unitholders, and are in compliance with all applicable requirements of the Listing Manual and the BTA relating to the transactions in question. If the HBT Trustee-Manager is to sign any contract with an interested person of the HBT Trustee-Manager or HBT, the HBT Trustee-Manager will review the contract to ensure that it complies with the provisions of the Listing Manual and the BTA relating to interested person transactions (as may be amended from time to time) as well as any other guidelines as may from time to time be prescribed to apply to business trusts.

Present and Ongoing Interested Person Transactions

(i) Exempted Agreements

The fees and charges payable by HBT to the HBT Trustee-Manager under the HBT Trust Deed are considered interested person transactions which are deemed to have been specifically approved by the HBT Unitholders upon their purchase of the HBT Units, to the extent that there are no subsequent changes to the rates and/or bases of the fees charged thereunder which will adversely affect HBT.

(ii) Future Interested Person Transactions

Depending on the materiality of the transaction, HBT may make a public announcement of or obtain prior approval of the HBT Unitholders for such a transaction. If necessary, the HBT Trustee-Manager Board may make a written statement in accordance with the resolution of the HBT Trustee-Manager Board and signed by at least two HBT Trustee-Manager Directors on behalf of the HBT Trustee-Manager Board certifying that, *inter alia*, such interested person transaction is not detrimental to the interests of the HBT Unitholders as a whole, based on the circumstances at the time of the transaction.

The HBT Trustee-Manager may, in future, seek an annual general mandate from the HBT Unitholders for recurrent transactions of revenue or trading nature or those necessary for the day-to-day operations with interested persons, and all transactions would then be conducted under such a general mandate for that relevant financial year. In seeking such an annual general mandate, the HBT Trustee-Manager may appoint an independent financial adviser to render an opinion as to whether the methods or procedures for determining the transaction prices contemplated under the annual general mandate are sufficient, in an effort to ensure that such transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of HBT and the HBT Unitholders.

The HBT Trustee-Manager has in place an internal control system as well as policies and procedures to ensure that all future interested person transactions will be undertaken on an arm's length basis, on normal commercial terms, will not be prejudicial to the interests of HBT and its minority Unitholders, and will be in accordance with all applicable requirements of the BTA, the Listing Manual and all applicable guidelines as may from time to time be prescribed to apply to business trusts relating to the transaction in question.

STATEMENT OF POLICIES AND PRACTICES
IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF
CDL HOSPITALITY BUSINESS TRUST

Management identifies interested person transactions in relation to HBT. The HBT Trustee-Manager maintains a register to record all interested person transactions which are entered into by HBT. The HBT Trustee-Manager incorporates into its plan a review of all interested person transactions entered into by HBT during the financial year. The Audit and Risk Committee reviews at least quarterly in each financial year the interested person transactions entered into during such quarterly period to ascertain that the guidelines and procedures established to monitor interested person transactions have been complied with. The review includes the examination of the nature of the transactions and their supporting documents or such other data that the Audit and Risk Committee deems necessary. If a member of the Audit and Risk Committee has an interest in a transaction, he or she will abstain from participating in the review and approval process in relation to that transaction.

In addition, all such interested person transactions conducted and any contracts entered into by the HBT Trustee-Manager on behalf of HBT with an interested person of the HBT Trustee-Manager or HBT, shall comply with and be in accordance with all applicable requirements of the Listing Manual, the BTA and Business Trusts Regulations as well as such other guidelines as may from time to time be prescribed to apply to business trusts.

In particular, when HBT acquires assets from the Sponsor or parties related to the Sponsor in future, the HBT Trustee-Manager will obtain valuations from independent parties. In any event, interested person transactions entered into by HBT, depending on the materiality of such transactions, may be publicly announced or, as the case may be, approved by HBT Unitholders, and will, in addition, be:

- reviewed and recommended by the Audit and Risk Committee of the HBT Trustee-Manager, which comprises only independent directors; and
- decided by the HBT Trustee-Manager Board, of which more than half of the directors are independent directors.

Fees and expenses charged to HBT are appropriate and in accordance with the HBT Trust Deed

The HBT Trustee-Manager is entitled under the HBT Trust Deed to a management fee comprising a base fee of up to a maximum of 0.25% per annum of the value of the HBT's Deposited Property and a performance fee of 5.0% per annum of HBT's net property income. For the purpose of calculating the management fee, if HBT holds only a partial interest in an investment from which such profit is derived, such profit shall be pro-rated in proportion to the partial interest held.

The management fee is payable to the HBT Trustee-Manager in the form of cash and/or Stapled Securities as the HBT Trustee-Manager may elect, and in such proportion and for such period as may be determined by the HBT Trustee-Manager.

Under the HBT Trust Deed, if the value of the HBT Trust Property is at least S\$50.0 million, a maximum of 0.1% per annum of the value of the HBT's Deposited Property (if any), subject to a minimum fee of S\$10,000 per month, excluding out-of-pocket expenses and goods and services tax, is payable to the HBT Trustee-Manager as trustee fee. For the purpose of calculating the trustee fee, if HBT holds only a partial interest in any of HBT's Deposited Property, such HBT's Deposited Property shall be pro-rated in proportion to the partial interest held.

The trustee fee is payable to the HBT Trustee-Manager in arrears on a monthly basis in the form of cash.

The HBT Trustee-Manager is also entitled to receive an acquisition fee at the rate of 0.75% of the acquisition price for acquisition from interested persons and at a rate of 1.0% of the acquisition price for all other acquisitions directly or indirectly by HBT (pro-rated if applicable to the proportion of HBT's interest in the authorised investment acquired).

The acquisition fee is payable to the HBT Trustee-Manager in the form of cash and/or Stapled Securities as the HBT Trustee-Manager may elect, and in such proportion and for such period as may be determined by the HBT Trustee-Manager.

STATEMENT OF POLICIES AND PRACTICES
IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF
CDL HOSPITALITY BUSINESS TRUST

The HBT Trustee-Manager is also entitled to a divestment fee at the rate of 0.5% of the sale price of any divestment directly or indirectly by HBT (pro-rated if applicable to the proportion of HBT’s interest). The divestment fee is payable to the HBT Trustee-Manager in the form of cash and/or Stapled Securities as the HBT Trustee-Manager may elect, and in such proportion and for such period as may be determined by the HBT Trustee-Manager.

Any increase in the rate or any change in structure of the HBT Trustee-Manager’s management fee, trustee fee, the acquisition fee or the divestment fee, must be approved by an extraordinary resolution passed at a meeting of HBT Unitholders duly convened and held in accordance with the provisions of the HBT Trust Deed.

The table below sets out the fees earned by the HBT Trustee-Manager for the financial year ended 31 December 2025.

Fee	Amount (S\$’000)	% in Cash	% in Units
Management Fee	1,609	20	80
Trustee Fee	424	100	0

For the financial year ended 31 December 2025, the HBT Trustee-Manager will receive 100% of trustee fee in cash while the management fee is in the form of 20% cash and 80% Stapled Securities. No expenses were paid to the HBT Trustee-Manager during the financial year ended 31 December 2025 and any out-of-pocket expenses incurred were funded by HBT’s working capital.

The HBT Trustee-Manager Board will meet every quarter to review the material expenses, cost allocations and fees charged to HBT and to ensure that the fees and expenses payable to the HBT Trustee-Manager out of the HBT Trust Property are appropriate and in accordance with the HBT Trust Deed.

Compliance with the Business Trusts Act and Listing Manual

The HBT Trustee-Manager has an internal compliance manual which serves to summarise all the applicable rules and regulations as well as key internal policies and processes which HBT needs to comply with. The manual will be consistently updated whenever there are changes to the rules and regulations and such policies and processes, and this will help management to ensure that applicable rules and regulations are being complied with.

The HBT Trustee-Manager will also engage the services of and obtain advice from professional advisers and consultants from time to time, and in particular when dealing with acquisitions and capital raising, to ensure compliance with the requirements of the BTA and the Listing Manual.

Compliance of the HBT Trustee-Manager Board

Under regulation 12(1) of the Business Trusts Regulations, the HBT Trustee-Manager Board is required to comprise:

- at least a majority of the directors who are independent from management and business relationships with the HBT Trustee-Manager;
- at least one-third of the directors who are independent from management and business relationships with the HBT Trustee-Manager and from every substantial shareholder of the HBT Trustee-Manager; and
- at least a majority of the directors who are independent from any single substantial shareholder of the HBT Trustee-Manager.

None of the HBT Trustee-Manager Directors would, by definition under the Business Trusts Regulations, be independent from a substantial shareholder of the HBT Trustee-Manager as the HBT Trustee-Manager is wholly-owned by the H-REIT Manager. As H-REIT and HBT are stapled, the directors of the Managers are the same to avoid any differences or deadlock in the operation of CDLHT. The MAS has, subject to certain conditions, granted an exemption to the HBT Trustee-Manager from the requirement under Regulation 12(1) of the Business Trusts Regulations which deals with the independence of the HBT Trustee-Manager Directors.

STATEMENT OF POLICIES AND PRACTICES
IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF
CDL HOSPITALITY BUSINESS TRUST

The HBT Trustee-Manager Board consists of six directors, four of whom are independent directors for the purposes of the Business Trusts Regulations. In accordance with Rule 12(8) of the Business Trusts Regulations, the HBT Trustee-Manager Board and the board of M&C REIT Management Limited, Manager of H-REIT, has determined that the following directors are independent from management and business relationships with the HBT Trustee-Manager and from the substantial shareholder of the HBT Trustee-Manager:

Mr Chan Soon Hee, Eric;
Ms Eng Chin Chin;
Ms Cheah Sui Ling; and
Mr Richard Anthony Johnson.

Mr Vincent Yeo Wee Eng, the Chief Executive Officer of the H-REIT Manager and the HBT Trustee-Manager; and Mr Kwek Eik Sheng, an Executive Director of the Sponsor, are considered non-independent directors.

REPORT OF THE TRUSTEE-MANAGER OF
CDL HOSPITALITY BUSINESS TRUST

The directors of M&C Business Trust Management Limited, the trustee-manager of CDL Hospitality Business Trust (“**HBT**”) (the “**Trustee-Manager**”) and its subsidiaries (collectively, the “**HBT Group**”), are pleased to present this report to the unitholders together with the audited financial statements for the financial year ended 31 December 2025.

DIRECTORS

The directors of the Trustee-Manager in office at the date of this report are as follows:

Chan Soon Hee, Eric	(Chairman)
Vincent Yeo Wee Eng	(Chief Executive Officer)
Cheah Sui Ling	
Kwek Eik Sheng	
Eng Chin Chin	(Appointed on 21 February 2025)
Richard Anthony Johnson	(Appointed on 23 January 2026)

DIRECTORS’ INTEREST IN UNITS OR DEBENTURES

According to the register kept by the Trustee-Manager for the purposes of Sections 13 and 76 of the Business Trusts Act 2004 of Singapore (the “**BTA**”), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children below 18 years of age) in units of HBT are as follows:

	Holdings at beginning of the year	Holdings at end of the year
Vincent Yeo Wee Eng	138,000	138,000
Kwek Eik Sheng	695,638	695,638

Except as disclosed in this report, no director who held office at the end of the financial year had interests in units of HBT either at the beginning or at the end of the financial year.

There were no changes in the abovementioned interests of HBT between the end of the financial year and 21 January 2026.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE UNITS AND DEBENTURES

Neither at the end of, nor at any time during the financial year, was the Trustee-Manager a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in or debentures of HBT.

DIRECTORS’ CONTRACTUAL BENEFITS

During the financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Trustee-Manager, on behalf of HBT or a related corporation with the director, or with a firm of which such director is a member or with a company in which such director has a substantial financial interest.

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REPORT OF THE TRUSTEE-MANAGER OF
CDL HOSPITALITY BUSINESS TRUST

OPTIONS

During the financial year, there were:

- (i) no options granted by the Trustee-Manager to any person to take up unissued units in HBT; and
- (ii) no units issued by virtue of any exercise of option to take up unissued units of HBT.

As at the end of the financial year, there were no unissued units of HBT under options.

AUDIT AND RISK COMMITTEE

The members of the Audit and Risk Committee at the date of this statement are:

- Eng Chin Chin (Chairman), Independent, non-executive director (Appointed as Chairman on 9 May 2025)
- Cheah Sui Ling, Independent, non-executive director
- Richard Anthony Johnson, Independent, non-executive director (Appointed on 23 January 2026)

The Audit and Risk Committee performs the functions specified in Section 201B of the Companies Act 1967, Regulation 13(6) of the Business Trusts Regulations 2005, the Listing Manual of Singapore Exchange Securities Trading Limited (the “SGX Listing Manual”) and the Code of Corporate Governance.

The Audit and Risk Committee has held four meetings since the last report of the Trustee-Manager. In performing its functions, the Audit and Risk Committee met with HBT’s external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the HBT’s internal accounting control system.

The Audit and Risk Committee also reviewed the following:

- assistance provided by HBT’s officers to the internal and external auditors;
- quarterly financial information and annual financial statements of HBT prior to their submission to the directors of the Trustee-Manager for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit and Risk Committee has full access to the Trustee-Manager and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit and Risk Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit and Risk Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors of the Trustee-Manager that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of HBT.

In appointing our auditors for the HBT Group, we have complied with Rules 712 and 715 of the SGX Listing Manual.

AUDITORS

The auditors, KPMG LLP, have expressed their willingness to accept re-appointment.

REPORT OF THE TRUSTEE-MANAGER OF
CDL HOSPITALITY BUSINESS TRUST

STATEMENT BY THE TRUSTEE-MANAGER

In our opinion:

- (a) the consolidated financial statements of the HBT Group set out on pages 198 to 305 are drawn up so as to give a true and fair view of the state of affairs of the HBT Group as at 31 December 2025 and the financial performance, movements in unitholders’ funds and cash flows of the HBT Group for the year ended on that date in accordance with the provisions of the BTA and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, having considered the cash liquidity of the HBT Group and the financial support given by H-REIT to HBT, there are reasonable grounds to believe that the HBT Group will be able to pay its debts as and when they fall due.

In accordance with Section 86(2) of the BTA, the directors of the Trustee-Manager further certify that:

- fees or charges paid or payable out of the trust property of the HBT Group to the Trustee-Manager are in accordance with HBT’s trust deed dated 12 June 2006 (as amended);
- interested person transactions are not detrimental to the interests of all the unitholders as a whole based on the circumstances at the time of the transaction; and
- the Board of Directors is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the HBT Group or on the interests of all the unitholders as a whole.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

For and on behalf of the Board of Directors of the Trustee-Manager,
M&C Business Trust Management Limited

Chan Soon Hee, Eric
Director

Vincent Yeo Wee Eng
Director

23 March 2026

STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER

In accordance with Section 86 of the BTA, I certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of HBT Group or on the interests of all the unitholders of HBT as a whole.

Vincent Yeo Wee Eng
Chief Executive Officer

23 March 2026

REPORT OF THE TRUSTEE OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST

DBS Trustee Limited (the “**H-REIT Trustee**”) is under a duty to take into custody and hold the assets of CDL Hospitality Real Estate Investment Trust (“**H-REIT**”) held by it or through its subsidiaries (collectively, the “**H-REIT Group**”) in trust for the holders of units in H-REIT. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the H-REIT Trustee shall monitor the activities of M&C REIT Management Limited (the “**H-REIT Manager**”) for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 8 June 2006 (as amended) (the “**H-REIT Trust Deed**”) between the H-REIT Manager and the H-REIT Trustee in each annual accounting period; and report thereon to unitholders in an annual report.

To the best knowledge of the H-REIT Trustee, the H-REIT Manager has, in all material respects, managed the H-REIT Group during the period covered by these financial statements set out on pages 198 to 305, in accordance with the limitations imposed on the investment and borrowing powers set out in the H-REIT Trust Deed.

For and on behalf of the H-REIT Trustee,
DBS Trustee Limited

Jane Lim Puay Yuen
Authorised Signatory

23 March 2026

REPORT OF THE MANAGER OF CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST

In the opinion of M&C REIT Management Limited (the “**H-REIT Manager**”), the Manager of CDL Hospitality Real Estate Investment Trust (“**H-REIT**”), the accompanying consolidated financial statements of H-REIT and its subsidiaries (collectively, the “**H-REIT Group**”), and CDL Hospitality Trusts (the “**Stapled Group**”, comprising the H-REIT Group and HBT Group) set out on pages 198 to 305, comprising the statement of financial position, statement of total return, statement of movements in unitholders’ funds, portfolio statement and statement of cash flows of the H-REIT Group; the statement of financial position, statement of total return, statement of movements in unitholders’ funds, distribution statement, portfolio statement and statement of cash flows of the Stapled Group; and notes to the consolidated financial statements, are drawn up so as to present fairly, in all material respects, the financial positions and portfolio holdings of the H-REIT Group and the Stapled Group as at 31 December 2025 and the financial performance, movements in unitholders’ funds and cash flows of the H-REIT Group and the financial performance, movements in unitholders’ funds, distributable income and cash flows of the Stapled Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants and the provisions of H-REIT’s trust deed between DBS Trustee Limited (the “**H-REIT Trustee**”) and the H-REIT Manager dated 8 June 2006 (as amended) and the stapling deed of CDL Hospitality Trusts between the H-REIT Trustee, the H-REIT Manager and M&C Business Trust Management Limited (the Trustee-Manager of HBT) dated 12 June 2006 (as amended). At the date of this statement, there are reasonable grounds to believe that the H-REIT Group and the Stapled Group will be able to meet their respective financial obligations as and when they materialise.

For and on behalf of the H-REIT Manager,
M&C REIT Management Limited

Vincent Yeo Wee Eng
Director

23 March 2026

INDEPENDENT AUDITORS’ REPORT

UNITHOLDERS

CDL Hospitality Business Trust
(Constituted under a Trust Deed in the Republic of Singapore)
CDL Hospitality Real Estate Investment Trust
(Constituted under a Trust Deed in the Republic of Singapore)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited:

- (i) the consolidated financial statements of CDL Hospitality Business Trust (“**HBT**”) and its subsidiaries (the “**HBT Group**”), which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss, statement of comprehensive income, statement of movements in unitholders’ funds and statement of cash flows of the HBT Group for the year then ended, and notes to the consolidated financial statements, including material accounting policy information;
- (ii) the consolidated financial statements of CDL Hospitality Real Estate Investment Trust (“**H-REIT**”) and its subsidiaries (the “**H-REIT Group**”), which comprise the statement of financial position and portfolio statement as at 31 December 2025, the statement of total return, statement of movements in unitholders’ funds and statement of cash flows of the H-REIT Group for the year then ended, and notes to the consolidated financial statements, including material accounting policy information; and
- (iii) the consolidated financial statements of CDL Hospitality Trusts, which comprise the statement of financial position and portfolio statement as at 31 December 2025, the statement of total return, distribution statement, statement of movements in unitholders’ funds and statement of cash flows of CDL Hospitality Trusts for the year then ended, and notes to the consolidated financial statements, including material accounting policy information;

as set out on pages 198 to 305. CDL Hospitality Trusts, which comprises the HBT Group and the H-REIT Group, is hereinafter referred to as the “**Stapled Group**”.

In our opinion:

- (a) the accompanying consolidated financial statements of the HBT Group are properly drawn up in accordance with the provisions of the Business Trusts Act 2004 of Singapore (the “**Act**”) and Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”) so as to give a true and fair view of the financial position of the HBT Group as at 31 December 2025 and the financial performance, movements in unitholders’ funds and cash flows of the HBT Group for the year ended on that date; and
- (b) the accompanying consolidated financial statements of the H-REIT Group and the Stapled Group present fairly, in all material respects, the financial positions and portfolio holdings of the H-REIT Group and the Stapled Group as at 31 December 2025 and the financial performance, movements in unitholders’ funds and cash flows of the H-REIT Group and the financial performance, movements in unitholders’ funds, distributable income and cash flows of the Stapled Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice (“**RAP**”) 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants (“**ISCA**”).

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“**SSAs**”). Our responsibilities under those standards are further described in the ‘Auditors’ responsibilities for the audit of the consolidated financial statements’ section of our report. We are independent of the HBT Group, the H-REIT Group and the Stapled Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (“**ACRA Code**”), as applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS’ REPORT

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties
(Refer to Note 4 to the consolidated financial statements)

The key audit matter

As at 31 December 2025, the Stapled Group, the H-REIT Group and the HBT Group own properties which are classified as investment properties with a total carrying value of \$2.5 billion, \$2.9 billion and \$176.1 million respectively. Investment properties represent significant asset items on the statements of financial position.

The accounting policy of the Stapled Group, the H-REIT Group and the HBT Group is to state investment properties at fair value based on independent external valuations. The valuation process involves significant judgement in determining the valuation method to be used and in estimating the underlying assumptions to be applied. The valuations are sensitive to the key assumptions applied and a change in assumptions could have a significant impact to the valuation.

Our response

We assessed the qualifications and objectivity of the external valuers. We held discussions with the valuers to understand their valuation methods, assumptions and basis used. We considered the valuation methodologies used against those applied for similar property types by other valuers. We evaluated the reasonableness of the key assumptions used in the valuations which included a comparison of the assumptions against historical rates and available industry data, taking into consideration comparability and market factors.

Our findings

The valuers are members of recognised professional bodies for valuers. The valuation methodology and key assumptions used by the valuers are in line with generally accepted market practices and comparable to available industry data.

Valuation of property, plant and equipment
(Refer to Note 5 to the consolidated financial statements)

The key audit matter

As at 31 December 2025, the Stapled Group, the H-REIT Group and the HBT Group own hotels and resort classified as property, plant and equipment with a total carrying value of \$873.1 million, \$86.2 million and \$301.9 million respectively. Property, plant and equipment represents a significant asset item on the statements of financial position.

The accounting policy of the Stapled Group, the H-REIT Group and the HBT Group is to revalue freehold land, leasehold land and buildings included as part of property, plant and equipment to their fair value at the reporting date based on independent external valuations. The valuation process involves significant judgement in determining the valuation method to be used and in estimating the underlying assumptions to be applied. The valuations are sensitive to the key assumptions applied and a change in assumptions could have a significant impact to the valuation.

Our response

We assessed the qualifications and objectivity of the external valuers. We held discussions with the valuers to understand their valuation methods, assumptions and basis used. We considered the valuation methodologies used against those applied for similar property types by other valuers. We evaluated the reasonableness of the key assumptions used in the valuations which included a comparison of the assumptions against historical rates and available industry data, taking into consideration comparability and market factors.

INDEPENDENT AUDITORS’ REPORT

Our findings

The valuers are members of recognised professional bodies for valuers. The valuation methodology and key assumptions used by the valuers are in line with generally accepted market practices and comparable to available industry data.

Other information

M&C Business Trust Management Limited, the Trustee-Manager of HBT (the “**HBT Trustee-Manager**”) and M&C REIT Management Limited, the Manager of H-REIT (the “**H-REIT Manager**”) are responsible for the other information. The other information is defined as all information in the annual report other than the consolidated financial statements and our auditors’ reports thereon.

We have obtained all other information prior to the date of this auditors’ report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon as part of our engagement to audit the consolidated financial statements.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the HBT Trustee-Manager for the consolidated financial statements

The HBT Trustee-Manager is responsible for the preparation of the consolidated financial statements of the HBT Group that gives a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets that are part of the trust property of the registered business trust are safeguarded against loss from unauthorised use or disposition; and transactions by the HBT Trustee-Manager entered into on behalf of or purported to be entered into on behalf of the registered business trust are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the consolidated financial statements, the HBT Trustee-Manager is responsible for assessing the ability of the HBT Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the HBT Trustee-Manager either intends to terminate the HBT Group or to cease the operations of the HBT Group, or has no realistic alternative but to do so.

The HBT Trustee-Manager’s responsibilities include overseeing the HBT Group’s financial reporting process.

Responsibilities of the H-REIT Manager for the consolidated financial statements

The H-REIT Manager is responsible for the preparation and fair presentation of the consolidated financial statements of the H-REIT Group and the Stapled Group in accordance with the recommendations of RAP 7 issued by ISCA, and for such internal controls as the H-REIT Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the H-REIT Manager is responsible for assessing the ability of the H-REIT Group and the Stapled Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the H-REIT Manager either intends to terminate the H-REIT Group and the Stapled Group or to cease the operations of the H-REIT Group and the Stapled Group, or has no realistic alternative but to do so.

The H-REIT Manager’s responsibilities include overseeing the financial reporting process of the H-REIT Group and of the Stapled Group.

INDEPENDENT AUDITORS’ REPORT

Auditors’ responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the HBT Group, the H-REIT Group and the Stapled Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the HBT Trustee-Manager and the H-REIT Manager.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the HBT Trustee-Manager and the H-REIT Manager and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the HBT Group, the H-REIT Group and the Stapled Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the HBT Group, the H-REIT Group and the Stapled Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business unit within the HBT Group, the H-REIT Group and the Stapled Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the HBT Trustee-Manager and the H-REIT Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the HBT Trustee-Manager and the H-REIT Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the HBT Trustee-Manager and the H-REIT Manager, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors’ report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS’ REPORT

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the HBT Trustee-Manager on behalf of HBT have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors’ report is Karen Lee Shu Pei.

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore
23 March 2026

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

		HBT Group		H-REIT Group		Stapled Group	
	Note	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current assets							
Investment properties	4	176,128	163,430	2,860,275	2,828,851	2,479,867	2,478,796
Property, plant and equipment	5	301,901	313,894	86,192	82,402	873,081	846,454
Finance lease receivables	6	—	—	2,408	3,435	2,408	3,435
Deferred tax assets	12	807	795	1,362	727	1,766	1,522
Financial derivative assets	10	—	—	6,414	8,065	6,414	8,065
Other receivables	7	367	529	332,260	222,745	516	677
		479,203	478,648	3,288,911	3,146,225	3,364,052	3,338,949
Current assets							
Inventories		1,765	2,501	—	—	1,765	2,501
Finance lease receivables	6	—	—	1,027	910	1,027	910
Trade and other receivables	7	24,681	24,049	43,928	43,290	29,651	31,298
Financial derivative assets	10	—	—	27	655	27	655
Cash and cash equivalents	8	21,825	21,713	65,236	56,575	87,061	78,288
		48,271	48,263	110,218	101,430	119,531	113,652
Total assets		527,474	526,911	3,399,129	3,247,655	3,483,583	3,452,601
Non-current liabilities							
Loans and borrowings	9	430,158	422,040	1,174,955	907,844	1,194,005	1,017,730
Financial derivative liabilities	10	—	—	7,897	548	7,897	548
Other payables	11	26	57	12,194	12,099	12,220	12,156
Deferred tax liabilities	12	27,351	26,058	28,749	21,203	55,584	49,548
		457,535	448,155	1,223,795	941,694	1,269,706	1,079,982
Current liabilities							
Loans and borrowings	9	9,642	9,333	197,006	461,300	197,117	461,348
Trade and other payables	11	69,959	75,128	46,901	41,267	59,783	62,685
Financial derivative liabilities	10	—	—	1,785	179	1,785	179
Provision for taxation		743	2,290	6,413	5,831	7,156	8,121
		80,344	86,751	252,105	508,577	265,841	532,333
Total liabilities		537,879	534,906	1,475,900	1,450,271	1,535,547	1,612,315
Net (liabilities)/assets		(10,405)	(7,995)	1,923,229	1,797,384	1,948,036	1,840,286
Represented by:							
Unitholders' funds		(10,405)	(7,995)	1,766,019	1,789,476	1,790,826	1,832,378
Perpetual securities holders	15	—	—	149,653	—	149,653	—
Non-controlling interests	13	—	—	7,557	7,908	7,557	7,908
		(10,405)	(7,995)	1,923,229	1,797,384	1,948,036	1,840,286
Units/Stapled Securities in issue ('000)							
	14	1,270,770	1,256,857	1,270,770	1,256,857	1,270,770	1,256,857
Net asset value per Unit/ Stapled Security (\$)							
	16	(0.0081)	(0.0063)	1.38	1.42	1.40	1.45

The accompanying notes form an integral part of these consolidated financial statements.

STATEMENT OF PROFIT OR LOSS OF THE HBT GROUP
STATEMENTS OF TOTAL RETURN OF THE H-REIT GROUP
AND THE STAPLED GROUP

Year ended 31 December 2025

		HBT Group		H-REIT Group		Stapled Group	
	Note	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Revenue	17	153,855	144,607	137,262	143,049	267,566	260,259
Property expenses							
Operations and maintenance expenses		(34,713)	(32,267)	(99)	–	(34,812)	(32,267)
Employee benefit expenses		(50,464)	(46,826)	–	–	(50,464)	(46,826)
Rental expenses		(12,167)	(15,634)	–	–	(130)	(53)
Property tax		(2,483)	(1,910)	(8,132)	(8,375)	(10,615)	(10,285)
Other property expenses		(32,194)	(29,206)	(11,093)	(13,893)	(41,851)	(35,605)
		(132,021)	(125,843)	(19,324)	(22,268)	(137,872)	(125,036)
Net property income		21,834	18,764	117,938	120,781	129,694	135,223
H-REIT Manager's management fee	18	–	–	(12,944)	(12,726)	(12,944)	(12,726)
H-REIT Trustee's fee		–	–	(479)	(448)	(479)	(448)
HBT Trustee-Manager's management fee	18	(1,609)	(1,343)	–	–	(1,609)	(1,343)
HBT Trustee-Manager's trustee fee		(424)	(381)	–	–	(424)	(381)
HBT Trustee-Manager's acquisition fee		–	(334)	–	–	–	(334)
Valuation fee		(79)	(46)	(149)	(188)	(228)	(234)
Depreciation		(16,401)	(16,428)	(1,583)	(1,804)	(25,299)	(22,576)
Other expenses		(2,928)	(5,175)	(3,354)	(2,778)	(6,251)	(7,947)
Finance income		1,352	98	10,053	7,937	5,814	578
Finance costs		(17,060)	(20,604)	(64,794)	(58,923)	(70,873)	(68,823)
Net finance costs	19	(15,708)	(20,506)	(54,741)	(50,986)	(65,059)	(68,245)
Net (loss)/income before fair value adjustment		(15,315)	(25,449)	44,688	51,851	17,401	20,989
Gain from a bargain purchase		–	3,035	–	–	–	3,035
(Revaluation deficit)/Reversal of revaluation deficit on property, plant and equipment		(704)	1,819	–	–	(8,132)	(8,689)
Net fair value gain/(loss) on investment properties		9,458	(574)	(13,344)	(9,738)	(28,478)	5,771
(Loss)/Total return for the year before tax	20	(6,561)	(21,169)	31,344	42,113	(19,209)	21,106
Tax expense	21	(1,273)	(1,480)	(11,374)	(5,080)	(10,268)	(6,163)
(Loss)/Total return for the year	22	(7,834)	(22,649)	19,970	37,033	(29,477)	14,943
(Loss)/Total return attributable to:							
Unitholders		(7,834)	(22,649)	19,957	36,455	(29,490)	14,365
Perpetual securities holders	15	–	–	669	–	669	–
Non-controlling interests	13	–	–	(656)	578	(656)	578
		(7,834)	(22,649)	19,970	37,033	(29,477)	14,943
Earnings per Stapled Security (cents)	23						
Basic						(2.33)	1.15
Diluted						(2.33)	1.14

The accompanying notes form an integral part of these consolidated financial statements.

STATEMENT OF COMPREHENSIVE INCOME OF THE HBT GROUP
Year ended 31 December 2025

	HBT Group	
	2025	2024
	\$'000	\$'000
Loss for the year	(7,834)	(22,649)
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Revaluation (deficit)/surplus on property, plant and equipment	(738)	4,918
Tax effect on revaluation of property, plant and equipment	1,138	(1,401)
	400	3,517
Items that are or may be reclassified subsequently to profit or loss:		
Translation differences relating to financial statements of foreign subsidiaries	5,261	2,018
Exchange differences on monetary items forming part of net investment in foreign operations	1,542	1,155
Exchange differences on hedge of net investment in foreign operations	(3,067)	534
	3,736	3,707
Other comprehensive income for the year, net of tax	4,136	7,224
Total comprehensive income for the year	(3,698)	(15,425)

The accompanying notes form an integral part of these consolidated financial statements.

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS
Year ended 31 December 2025

HBT GROUP

	Units in issue and to be issued	Issue expenses	Revaluation reserve	Foreign currency translation reserve	Accumulated losses	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2025	109,562	(121)	15,443	2,119	(134,998)	(7,995)
Operations						
- Decrease in net assets resulting from operations	–	–	–	–	(7,834)	(7,834)
Revaluation reserve						
- Revaluation deficit on property, plant and equipment	–	–	(738)	–	–	(738)
- Tax effect on revaluation of property, plant and equipment	–	–	1,138	–	–	1,138
Foreign currency translation reserve						
- Translation differences relating to financial statements of foreign subsidiaries	–	–	–	5,261	–	5,261
- Exchange differences on monetary items forming part of net investment in foreign operations	–	–	–	1,542	–	1,542
- Exchange differences on hedge of net investment in foreign operations	–	–	–	(3,067)	–	(3,067)
Other comprehensive income	–	–	400	3,736	–	4,136
Total comprehensive income	–	–	400	3,736	(7,834)	(3,698)
Transactions with owners, recorded directly in equity						
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	1,288	–	–	–	–	1,288
Total transactions with owners	1,288	–	–	–	–	1,288
At 31 December 2025	110,850	(121)	15,843	5,855	(142,832)	(10,405)

The accompanying notes form an integral part of these consolidated financial statements.

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS
Year ended 31 December 2025

H-REIT GROUP

	Attributable to Stapled Security Holders \$'000	Perpetual securities \$'000	Non- controlling interests \$'000	Total \$'000
At 1 January 2025	1,789,476	–	7,908	1,797,384
Operations				
- Increase/(Decrease) in net assets resulting from operations	20,626	–	(656)	19,970
- Total return attributable to perpetual securities holders	(669)	669	–	–
Revaluation reserve				
- Revaluation surplus on property, plant and equipment	9,711	–	–	9,711
- Tax effect on revaluation of property, plant and equipment	(1,603)	–	–	(1,603)
Foreign currency translation reserve				
- Translation differences relating to financial statements of foreign subsidiaries	(6,588)	–	533	(6,055)
- Exchange differences on monetary items forming part of net investment in foreign operations	1,284	–	–	1,284
- Exchange differences on hedge of net investment in foreign operations	3,919	–	–	3,919
Other comprehensive income	6,723	–	533	7,256
Total comprehensive income	26,680	669	(123)	27,226
Transactions with owners, recorded directly in equity				
- Distributions to holders of Stapled Securities	(60,492)	–	(228)	(60,720)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	10,355	–	–	10,355
- Issue of perpetual securities	–	150,000	–	150,000
- Issue expenses relating to perpetual securities	–	(1,016)	–	(1,016)
Total transactions with owners	(50,137)	148,984	(228)	98,619
At 31 December 2025	1,766,019	149,653	7,557	1,923,229

The accompanying notes form an integral part of these consolidated financial statements.

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS
Year ended 31 December 2025

STAPLED GROUP

	Attributable to Stapled Security Holders \$'000	Perpetual securities \$'000	Non- controlling interests \$'000	Total \$'000
At 1 January 2025	1,832,378	–	7,908	1,840,286
Operations				
- Decrease in net assets resulting from operations	(28,821)	–	(656)	(29,477)
- Total return attributable to perpetual securities holders	(669)	669	–	–
Revaluation reserve				
- Revaluation surplus on property, plant and equipment	38,605	–	–	38,605
- Tax effect on revaluation of property, plant and equipment	(465)	–	–	(465)
Foreign currency translation reserve				
- Translation differences relating to financial statements of foreign subsidiaries	(2,883)	–	533	(2,350)
- Exchange differences on monetary items forming part of net investment in foreign operations	2,826	–	–	2,826
- Exchange differences on hedge of net investment in foreign operations	(1,296)	–	–	(1,296)
Other comprehensive income	36,787	–	533	37,320
Total comprehensive income	7,297	669	(123)	7,843
Transactions with owners, recorded directly in equity				
- Distributions to holders of Stapled Securities	(60,492)	–	(228)	(60,720)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	10,355	–	–	10,355
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	1,288	–	–	1,288
- Issue of perpetual securities	–	150,000	–	150,000
- Issue expenses relating to perpetual securities	–	(1,016)	–	(1,016)
Total transactions with owners	(48,849)	148,984	(228)	99,907
At 31 December 2025	1,790,826	149,653	7,557	1,948,036

The accompanying notes form an integral part of these consolidated financial statements.

STATEMENTS OF MOVEMENTS IN UNITHOLDERS’ FUNDS
Year ended 31 December 2025

HBT GROUP

	Units in issue and to be issued	Issue expenses	Revaluation reserve	Foreign currency translation reserve	Accumulated losses	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2024	108,488	(121)	11,926	(1,588)	(112,349)	6,356
Operations						
- Decrease in net assets resulting from operations	–	–	–	–	(22,649)	(22,649)
Revaluation reserve						
- Revaluation surplus on property, plant and equipment	–	–	4,918	–	–	4,918
- Tax effect on revaluation of property, plant and equipment	–	–	(1,401)	–	–	(1,401)
Foreign currency translation reserve						
- Translation differences relating to financial statements of foreign subsidiaries	–	–	–	2,018	–	2,018
- Exchange differences on monetary items forming part of net investment in foreign operations	–	–	–	1,155	–	1,155
- Exchange differences on hedge of net investment in foreign operations	–	–	–	534	–	534
Other comprehensive income	–	–	3,517	3,707	–	7,224
Total comprehensive income	–	–	3,517	3,707	(22,649)	(15,425)
Transactions with owners, recorded directly in equity						
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager’s management fee	1,074	–	–	–	–	1,074
Total transactions with owners	1,074	–	–	–	–	1,074
At 31 December 2024	109,562	(121)	15,443	2,119	(134,998)	(7,995)

STATEMENTS OF MOVEMENTS IN UNITHOLDERS’ FUNDS
Year ended 31 December 2025

H-REIT GROUP

	Attributable to Stapled Security Holders	Non- controlling interests	Total
	\$'000	\$'000	\$'000
At 1 January 2024	1,819,229	7,816	1,827,045
Operations			
- Increase in net assets resulting from operations	36,455	578	37,033
Revaluation reserve			
- Revaluation surplus on property, plant and equipment	17,129	–	17,129
- Tax effect on revaluation of property, plant and equipment	(3,021)	–	(3,021)
Foreign currency translation reserve			
- Translation differences relating to financial statements of foreign subsidiaries	(17,567)	(259)	(17,826)
- Exchange differences on monetary items forming part of net investment in foreign operations	(1,952)	–	(1,952)
- Exchange differences on hedge of net investment in foreign operations	315	–	315
Other comprehensive income	(5,096)	(259)	(5,355)
Total comprehensive income	31,359	319	31,678
Transactions with owners, recorded directly in equity			
- Distributions to holders of Stapled Securities	(71,293)	(227)	(71,520)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager’s management fee	10,181	–	10,181
Total transactions with owners	(61,112)	(227)	(61,339)
At 31 December 2024	1,789,476	7,908	1,797,384

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2025

STAPLED GROUP

	Attributable to Stapled Security Holders \$'000	Non- controlling interests \$'000	Total \$'000
At 1 January 2024	1,878,446	7,816	1,886,262
Operations			
- Increase in net assets resulting from operations	14,365	578	14,943
Revaluation reserve			
- Revaluation surplus on property, plant and equipment	20,087	–	20,087
- Tax effect on revaluation of property, plant and equipment	(4,422)	–	(4,422)
Foreign currency translation reserve			
- Translation differences relating to financial statements of foreign subsidiaries	(15,592)	(259)	(15,851)
- Exchange differences on monetary items forming part of net investment in foreign operations	(796)	–	(796)
- Exchange differences on hedge of net investment in foreign operations	328	–	328
Other comprehensive income	(395)	(259)	(654)
Total comprehensive income	13,970	319	14,289
Transactions with owners, recorded directly in equity			
- Distributions to holders of Stapled Securities	(71,293)	(227)	(71,520)
- Units/Stapled Securities issued and to be issued as payment of H-REIT Manager's management fee	10,181	–	10,181
- Units/Stapled Securities issued and to be issued as payment of HBT Trustee-Manager's management fee	1,074	–	1,074
Total transactions with owners	(60,038)	(227)	(60,265)
At 31 December 2024	1,832,378	7,908	1,840,286

The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations into Singapore dollar, exchange differences on monetary items which form part of the Stapled Group's net investment in foreign operations and exchange differences arising from hedge of net investment in foreign operations.

DISTRIBUTION STATEMENT OF THE STAPLED GROUP

Year ended 31 December 2025

	Note	Stapled Group	
		2025 \$'000	2024 \$'000
Amount available for distribution to holders of Stapled Securities at the beginning of the year		34,254	38,697
Total return of H-REIT	22	21,589	20,929
Less: Total return attributable to perpetual securities holders		(669)	–
Loss of HBT	22	(13,678)	(12,671)
Net tax adjustments (Note A)		49,702	54,530
		56,944	62,788
Less: Amount retained for working capital		(5,694)	(6,261)
Add: Capital distribution		9,683	10,323
Amount available for distribution to holders of Stapled Securities		95,187	105,547
Distribution to holders of Stapled Securities:			
Distribution of 3.19 cents per Stapled Security for the period from 1/7/2023 to 31/12/2023		–	(39,789)
Distribution of 2.51 cents per Stapled Security for the period from 1/1/2024 to 30/06/2024		–	(31,504)
Distribution of 2.81 cents per Stapled Security for the period from 1/7/2024 to 31/12/2024		(35,375)	–
Distribution of 1.98 cents per Stapled Security for the period from 1/1/2025 to 30/06/2025		(25,117)	–
		(60,492)	(71,293)
Amount available for distribution to holders of Stapled Securities at the end of the year		34,695	34,254
Distribution per Stapled Security (DPS) (cents) ⁽¹⁾		4.80	5.32
Note A – Net tax adjustments comprise:			
Non-tax deductible/(chargeable) items:			
- Amortisation of transaction costs		1,845	2,140
- Fair value loss on financial derivatives		17,180	5,023
- Financial expense arising from accretion of non-current rental deposits measured at amortised cost		294	282
- Foreign exchange (gain)/loss		(7,109)	6,720
- (Reversal of impairment loss)/Impairment loss on investment in subsidiaries (net)		(8,067)	5,892
- H-REIT Manager's management fee paid/payable in Stapled Securities		10,355	10,181
- H-REIT Trustee's fee		479	448
- HBT Trustee-Manager's management fee paid/payable in Stapled Securities		1,288	1,074
- HBT Trustee-Manager's trustee fee		424	381
- Net fair value loss on investment properties		19,245	6,781
- Other items		13,768	15,608
Net tax adjustments		49,702	54,530

Distributions of the Stapled Group represent the aggregate of distributions by H-REIT and HBT.

⁽¹⁾ The DPS relates to the distributions in respect of the relevant financial year. The distribution for the second half of the financial year will be made subsequent to the financial year end.

PORTFOLIO STATEMENTS
As at 31 December 2025

H-REIT GROUP

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2025 ⁽¹⁾ \$'000	Carrying value at 31/12/2024 ⁽¹⁾ \$'000	Percentage of total net assets at 31/12/2025 %	Percentage of total net assets at 31/12/2024 %
Investment properties									
Singapore									
Orchard Hotel	Freehold ⁽²⁾	75 years	56 years	442 Orchard Road	Hotel	498,000	517,000	25.9	28.8
Claymore Connect	Freehold ⁽²⁾	75 years	56 years	442 Orchard Road	Retail	120,000	120,000	6.2	6.7
Grand Copthorne Waterfront Hotel	Freehold ⁽²⁾	75 years	56 years	392 Havelock Road	Hotel	437,000	428,000	22.7	23.8
M Hotel	Freehold ⁽²⁾	75 years	56 years	81 Anson Road	Hotel	275,000	272,000	14.3	15.1
Copthorne King's Hotel	Leasehold	99 years from 1 February 1968	41 years	403 Havelock Road	Hotel	138,500	146,000	7.2	8.1
Studio M Hotel	Leasehold	99 years from 26 February 2007	80 years	3 Nanson Road	Hotel	201,000	206,000	10.5	11.5
W Singapore – Sentosa Cove	Leasehold	99 years from 31 October 2006	80 years	21 Ocean Way	Hotel	402,971	383,101	21.0	21.3
Balance carried forward						2,072,471	2,072,101	107.8	115.3

The accompanying notes form an integral part of these consolidated financial statements.

PORTFOLIO STATEMENTS
As at 31 December 2025

H-REIT GROUP (CONT'D)

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2025 ⁽¹⁾ \$'000	Carrying value at 31/12/2024 ⁽¹⁾ \$'000	Percentage of total net assets at 31/12/2025 %	Percentage of total net assets at 31/12/2024 %
Balance brought forward						2,072,471	2,072,101	107.8	115.3
Germany									
Pullman Hotel Munich	Freehold	–	–	Theodor-Dombart-Strasse 4, Munich	Hotel	144,391	147,662	7.5	8.2
Italy									
Hotel Cerretani Firenze – MGallery	Freehold	–	–	Via De Cerretani 68, Florence	Hotel	69,399	67,517	3.6	3.8
New Zealand									
Grand Millennium Auckland	Freehold	–	–	71 – 87 Mayoral Drive, Auckland	Hotel	175,804	167,907	9.1	9.3
Australia									
Ibis Perth	Freehold	–	–	334 Murray Street, Perth	Hotel	43,030	31,978	2.2	1.8
Mercure Perth	Freehold	–	–	10 Irwin Street, Perth	Hotel	50,775	37,908	2.6	2.1
Maldives									
Angsana Velavaru	Leasehold	99 years from 26 August 1997	71 years	South Nilandhe Atoll	Resort	85,803	92,135	4.5	5.1
The Halcyon Private Isles Maldives, Autograph Collection ⁽³⁾	Leasehold	99 years from 15 June 2006	79 years	Gaafu Alifu Atoll	Resort	59,760	60,499	3.1	3.4
United Kingdom									
voco Manchester – City Centre	Leasehold	197 years from 7 May 2021	192 years	57 & 59 Portland Street, Manchester	Hotel	88,543	84,001	4.6	4.7
Benson Yard ⁽⁴⁾	Freehold	–	–	18 Benson Street, Residential Liverpool		70,299	67,143	3.7	3.7
Investment properties						2,860,275	2,828,851	148.7	157.4

The accompanying notes form an integral part of these consolidated financial statements.

PORTFOLIO STATEMENTS
As at 31 December 2025

H-REIT GROUP (CONT'D)

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2025 ⁽¹⁾ \$'000	Carrying value at 31/12/2024 ⁽¹⁾ \$'000	Percentage of total net assets at 31/12/2025 %	Percentage of total net assets at 31/12/2024 %
Property, plant and equipment									
Japan									
Hotel MyStays Asakusabashi	Freehold	–	–	1-5-5 Asakusabashi, Taito-ku, Tokyo	Hotel	54,597	52,643	2.8	2.9
Hotel MyStays Kamata	Freehold	–	–	5-46-5 Kamata, Ota-ku, Tokyo	Hotel	30,541	28,306	1.6	1.6
Other plant and equipment	–	–	–	–	–	1,054	1,453	0.1	0.1
Property, plant and equipment						86,192	82,402	4.5	4.6
Investment properties and property, plant and equipment						2,946,467	2,911,253	153.2	162.0
Other assets and liabilities (net)						(1,023,238)	(1,113,869)	(53.2)	(62.0)
Net assets of the H-REIT Group						1,923,229	1,797,384	100.0	100.0

⁽¹⁾ The carrying values include right-of-use assets recognised on leases of land.
⁽²⁾ H-REIT's interest in the freehold land is restricted to the remaining term of each respective lease.
⁽³⁾ Formerly known as Raffles Maldives Meradhoo. Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025.
⁽⁴⁾ The acquisition of Benson Yard was completed on 19 December 2024.

The accompanying notes form an integral part of these consolidated financial statements.

PORTFOLIO STATEMENTS
As at 31 December 2025

STAPLED GROUP

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2025 ⁽¹⁾ \$'000	Carrying value at 31/12/2024 ⁽¹⁾ \$'000	Percentage of total net assets at 31/12/2025 %	Percentage of total net assets at 31/12/2024 %
Investment properties									
Singapore									
Orchard Hotel	Freehold ⁽²⁾	75 years	56 years	442 Orchard Road	Hotel	498,000	517,000	25.6	28.1
Claymore Connect	Freehold ⁽²⁾	75 years	56 years	442 Orchard Road	Retail	120,000	120,000	6.2	6.5
Grand Copthorne Waterfront Hotel	Freehold ⁽²⁾	75 years	56 years	392 Havelock Road	Hotel	437,000	428,000	22.4	23.3
M Hotel	Freehold ⁽²⁾	75 years	56 years	81 Anson Road	Hotel	275,000	272,000	14.1	14.8
Copthorne King's Hotel	Leasehold	99 years from 1 February 1968	41 years	403 Havelock Road	Hotel	138,500	146,000	7.1	7.9
Studio M Hotel	Leasehold	99 years from 26 February 2007	80 years	3 Nanson Road	Hotel	201,000	206,000	10.3	11.2
Germany									
Pullman Hotel Munich	Freehold	–	–	Theodor-Dombart-Strasse 4, Munich	Hotel	144,391	147,662	7.4	8.0
Italy									
Hotel Cerretani Firenze – MGallery	Freehold	–	–	Via De Cerretani 68, Florence	Hotel	69,399	67,517	3.6	3.7
New Zealand									
Grand Millennium Auckland	Freehold	–	–	71 – 87 Mayoral Drive, Auckland	Hotel	175,804	167,907	9.0	9.1
Maldives									
Angsana Velavaru	Leasehold	99 years from 26 August 1997	71 years	South Nilandhe Atoll	Resort	85,803	92,135	4.4	5.0
United Kingdom									
voco Manchester – City Centre	Leasehold	197 years from 7 May 2021	192 years	57 & 59 Portland Street, Manchester	Hotel	88,543	84,001	4.5	4.6
The Castings	Freehold	–	–	9 Heyrod Street, Manchester	Residential	169,202	156,621	8.7	8.5
Hotel Indigo Exeter (retail units) ⁽³⁾	Freehold	–	–	3 Catherine St, Exeter	Retail	6,926	6,810	0.4	0.4
Benson Yard ⁽⁴⁾	Freehold	–	–	18 Benson Street, Liverpool	Residential	70,299	67,143	3.6	3.6
Investment properties						2,479,867	2,478,796	127.3	134.7

The accompanying notes form an integral part of these consolidated financial statements.

PORTFOLIO STATEMENTS
As at 31 December 2025

STAPLED GROUP (CONT'D)

Description of property	Tenure of land	Term of lease	Remaining term of lease	Location	Existing use	Carrying value at 31/12/2025 ⁽¹⁾ \$'000	Carrying value at 31/12/2024 ⁽¹⁾ \$'000	Percentage of total net assets at 31/12/2025 %	Percentage of total net assets at 31/12/2024 %
Property, plant and equipment									
Singapore									
W Singapore – Sentosa Cove	Leasehold	99 years from 31 October 2006	80 years	21 Ocean Way	Hotel	409,123	387,137	21.0	21.0
Australia									
Ibis Perth	Freehold	–	–	334 Murray Street, Perth	Hotel	45,612	35,578	2.3	1.9
Mercure Perth	Freehold	–	–	10 Irwin Street, Perth	Hotel	46,472	41,931	2.4	2.3
Maldives									
The Halcyon Private Isles Maldives, Autograph Collection ⁽⁵⁾	Leasehold	99 years from 15 June 2006	79 years	Gaafu Alifu Atoll	Resort	59,760	71,370	3.0	3.9
Japan									
Hotel MyStays Asakusabashi	Freehold	–	–	1-5-5 Asakusabashi, Taito-ku, Tokyo	Hotel	54,597	52,643	2.8	2.9
Hotel MyStays Kamata	Freehold	–	–	5-46-5 Kamata, Ota-ku, Tokyo	Hotel	30,541	28,306	1.6	1.5
United Kingdom									
Hilton Cambridge City Centre	Leasehold	125 years from 25 December 1990	90 years	20 Downing Street, Cambridge	Hotel	109,856	110,574	5.6	6.0
The Lowry Hotel	Leasehold	150 years from 18 March 1997	121 years	50 Dearmans Place, Salford, Manchester	Hotel	89,228	87,283	4.6	4.7
Hotel Indigo Exeter ⁽³⁾	Freehold	–	–	3 Catherine St, Exeter	Hotel	26,838	30,179	1.4	1.6
Other plant and equipment	–	–	–	–	–	1,054	1,453	0.1	0.1
Property, plant and equipment						873,081	846,454	44.8	45.9
Investment properties and property, plant and equipment						3,352,948	3,325,250	172.1	180.6
Other assets and liabilities (net)						(1,404,912)	(1,484,964)	(72.1)	(80.6)
Net assets of the Stapled Group						1,948,036	1,840,286	100.0	100.0

⁽¹⁾ The carrying values include right-of-use assets recognised on leases of land and buildings.

⁽²⁾ H-REIT's interest in the freehold land is restricted to the remaining term of each respective lease.

⁽³⁾ The acquisition of Hotel Indigo Exeter was completed on 6 November 2024.

⁽⁴⁾ The acquisition of Benson Yard and the vacant freehold land adjacent to Benson Yard was completed on 19 December 2024.

⁽⁵⁾ Formerly known as Raffles Maldives Meradhoo. Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025.

The accompanying notes form an integral part of these consolidated financial statements.

PORTFOLIO STATEMENTS
As at 31 December 2025

The carrying values of the investment properties are as follows:

	H-REIT Group		Stapled Group	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Investment properties				
Orchard Hotel	498,000	517,000	498,000	517,000
Grand Copthorne Waterfront Hotel	437,000	428,000	437,000	428,000
M Hotel	275,000	272,000	275,000	272,000
Copthorne King's Hotel	138,500	146,000	138,500	146,000
W Singapore – Sentosa Cove	402,971	383,101	–	–
Studio M Hotel	201,000	206,000	201,000	206,000
Claymore Connect	120,000	120,000	120,000	120,000
Grand Millennium Auckland	175,804	167,907	175,804	167,907
Ibis Perth	43,030	31,978	–	–
Mercure Perth	50,775	37,908	–	–
Angsana Velavaru	85,803	92,135	85,803	92,135
The Halcyon Private Isles Maldives, Autograph Collection ⁽¹⁾	59,760	60,499	–	–
Pullman Hotel Munich	144,391	147,662	144,391	147,662
Hotel Cerretani Firenze – MGallery	69,399	67,517	69,399	67,517
The Castings	–	–	169,202	156,621
voco Manchester – City Centre	88,543	84,001	88,543	84,001
Hotel Indigo Exeter (retail units)	–	–	6,926	6,810
Benson Yard	70,299	67,143	70,299	67,143
	2,860,275	2,828,851	2,479,867	2,478,796

The carrying values of property, plant and equipment by property are set out below:

	H-REIT Group		Stapled Group	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Property, plant and equipment				
W Singapore – Sentosa Cove	–	–	409,123	387,137
Ibis Perth	–	–	45,612	35,578
Mercure Perth	–	–	46,472	41,931
The Halcyon Private Isles Maldives, Autograph Collection ⁽¹⁾	–	–	59,760	71,370
Hotel MyStays Asakusabashi	54,597	52,643	54,597	52,643
Hotel MyStays Kamata	30,541	28,306	30,541	28,306
Hilton Cambridge City Centre	–	–	109,856	110,574
The Lowry Hotel	–	–	89,228	87,283
Hotel Indigo Exeter	–	–	26,838	30,179
Other plant and equipment	1,054	1,453	1,054	1,453
	86,192	82,402	873,081	846,454

⁽¹⁾ Formerly known as Raffles Maldives Meradhoo. Rebranded to The Halcyon Private Isles Maldives, Autograph Collection from 1 November 2025.

The accompanying notes form an integral part of these consolidated financial statements.

PORTFOLIO STATEMENTS

As at 31 December 2025

As at 31 December 2025 and 31 December 2024, H-REIT Group leased Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel, Studio M Hotel and Grand Millennium Auckland to the related corporations of the H-REIT Manager. As at 31 December 2025 and 31 December 2024, H-REIT Group leased W Singapore – Sentosa Cove, The Halcyon Private Isles Maldives, Autograph Collection, the Japan properties and the Australia properties to the HBT Group.

The terms of the leases are as follows:

Singapore

The leases for Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel and Copthorne King's Hotel contain an initial term of 20 years from 19 July 2006 with an option to renew for another 20 years. On 24 April 2025, a notice of intention for renewal of these master leases was announced. The lease for Studio M Hotel contains an initial term of 20 years from 3 May 2011 with an option to renew up to a total term of 70 years. The lease for W Singapore – Sentosa Cove contains a term of 20 years. The leases for Claymore Connect generally contain an initial term of 1 to 3 years.

New Zealand

The lease for Grand Millennium Auckland has been renewed on 24 November 2025 for a term of five years, with an additional five-year renewal option subject to mutual agreement.

Australia

The leases for the Australia properties contain a term of 10 years from 1 May 2021.

Maldives

The lease for Angsana Velavaru contains a term of 10 years from 1 February 2023. The lease of The Halcyon Private Isles Maldives, Autograph Collection is with CDL HBT Oceanic Maldives Private Limited, an indirect subsidiary of HBT, for a term of 10 years from 31 December 2013 with an option to renew for another 10 years, which has been renewed for a term of 10 years from 31 December 2023.

Japan

The Japan properties are under master lease arrangements between a trust bank in Japan (in its capacity as the trust bank holding the legal title to the Japan hotels) and AKO GK, an indirect subsidiary of HBT. The leases for the properties were renewed for a term of 1 year from 18 July 2025.

Germany

The lease for Pullman Hotel Munich contains a term of 20 years from 14 July 2017. The leases for the office and retail components generally contain an initial term of 1 to 5 years.

Italy

The lease for Hotel Cerretani Firenze – MGallery contains a term of 20 years from 27 November 2018.

United Kingdom

The lease for voco Manchester – City Centre contains a term of 60 years from 7 May 2021, with an option for lessee to terminate the lease on 15 January 2045 and every 5-year interval thereafter.

The leases for The Castings and Benson Yard generally contain an initial term of between 6 to 12 months.

The leases for Hotel Indigo Exeter (retail units) contain an initial term of 10 years where the two tenants may terminate the lease by serving a written notice at least 6 months before the fifth and sixth anniversary of the lease.

Subsequent renewals are renegotiated with the lessees.

STATEMENTS OF CASH FLOWS

Year ended 31 December 2025

Note	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities						
(Loss)/Total return for the year before tax	(6,561)	(21,169)	31,344	42,113	(19,209)	21,106
Adjustments for:						
H-REIT Manager's and HBT Trustee-Manager's fees paid/payable in Stapled Securities	1,288	1,074	10,355	10,181	11,643	11,255
Depreciation of property, plant and equipment	16,401	16,428	1,583	1,804	25,299	22,576
Impairment loss on trade and other receivables	740	43	1,584	7,494	889	43
Gain from a bargain purchase	–	(3,035)	–	–	–	(3,035)
Revaluation deficit/(Reversal of revaluation deficit) on property, plant and equipment	704	(1,819)	–	–	8,132	8,689
Net fair value (gain)/loss on investment properties	(9,458)	574	13,344	9,738	28,478	(5,771)
Net finance costs	15,708	20,506	54,741	50,986	65,059	68,245
Operating income before working capital changes	18,822	12,602	112,951	122,316	120,291	123,108
Changes in:						
- Inventories	653	68	–	–	653	68
- Trade and other receivables	341	(3,544)	318	(6,036)	3,384	(6,478)
- Trade and other payables	(5,070)	17,476	5,232	(3,102)	(3,663)	9,897
Cash generated from operations	14,746	26,602	118,501	113,178	120,665	126,595
Tax paid	(886)	(2,723)	(5,477)	(3,166)	(6,363)	(5,889)
Net cash generated from operating activities	13,860	23,879	113,024	110,012	114,302	120,706
Cash flows from investing activities						
Loans to related entity	–	–	(100,327)	(67,317)	–	–
Acquisition of properties and business	–	(35,045)	–	(67,119)	–	(102,164)
Additions to property, plant and equipment	(2,329)	(1,925)	(160)	(616)	(23,929)	(16,790)
Capital expenditure on investment properties and investment property under development	(419)	(26,848)	(39,921)	(37,769)	(18,643)	(49,488)
Receipt of finance lease receivables	–	–	910	800	910	800
Interest received	97	98	424	506	521	604
Net cash used in investing activities	(2,651)	(63,720)	(139,074)	(171,515)	(41,141)	(167,038)

STATEMENTS OF CASH FLOWS

Year ended 31 December 2025

Note	HBT Group		H-REIT Group		Stapled Group	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash flows from financing activities						
Loans from related entity	100,327	67,317	–	–	–	–
Issue of perpetual securities	15	–	150,000	–	150,000	–
Payment of issue expenses	–	–	(1,016)	–	(1,016)	–
Proceeds from bank loans	–	–	420,130	736,307	420,130	736,307
Proceeds from bond	–	–	27,280	–	27,280	–
Repayment of bank loans	(92,891)	–	(425,104)	(550,445)	(517,995)	(550,445)
Repayment of bond	–	–	(27,280)	–	(27,280)	–
Payment of transaction costs related to bank loans	–	(6)	(3,221)	(2,273)	(3,300)	(2,279)
Payment of lease liabilities	(9,250)	(8,832)	(1,072)	(957)	(1,159)	(1,099)
Finance costs paid	(9,467)	(11,673)	(45,361)	(48,760)	(51,586)	(56,818)
Distributions to holders of Stapled Securities	–	–	(60,492)	(71,293)	(60,492)	(71,293)
Distributions to holders of non-controlling interests	–	–	(273)	–	(273)	–
Return of capital to non-controlling interests	–	–	(128)	–	(128)	–
Movement in restricted cash	–	–	(288)	(186)	(288)	(186)
Net cash (used in)/generated from financing activities	(11,281)	46,806	33,175	62,393	(66,107)	54,187
Net (decrease)/increase in cash and cash equivalents	(72)	6,965	7,125	890	7,054	7,855
Cash and cash equivalents at beginning of the year	21,713	14,798	54,521	55,185	76,234	69,983
Effect of exchange rate changes on cash and cash equivalents	184	(50)	1,364	(1,554)	1,547	(1,604)
Cash and cash equivalents at end of the year	8	21,825	21,713	63,010	84,835	76,234

Significant non-cash transactions

There were the following non-cash transactions:

- (i) 12,521,903 (2024: 9,991,504) Stapled Securities amounting to \$10.4 million (2024: \$10.4 million) were issued to the H-REIT Manager as satisfaction of the management fee payable in Stapled Securities.
- (ii) 1,391,225 (2024: 1,033,978) Stapled Securities amounting to \$1.2 million (2024: \$1.1 million) were issued to the HBT Trustee-Manager as satisfaction of the management fee payable in Stapled Securities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

These notes form an integral part of the consolidated financial statements.

The consolidated financial statements were authorised for issue by the HBT Trustee-Manager, the H-REIT Manager and the H-REIT Trustee on 23 March 2026.

1 GENERAL

CDL Hospitality Trusts is a stapled group comprising CDL Hospitality Real Estate Investment Trust (“H-REIT”) and its subsidiaries (the “H-REIT Group”) and CDL Hospitality Business Trust (“HBT”) and its subsidiaries (the “HBT Group”) (collectively, the “Stapled Group”). H-REIT is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 8 June 2006 (as amended) (the “H-REIT Trust Deed”) between M&C REIT Management Limited (the “H-REIT Manager”) and DBS Trustee Limited (the “H-REIT Trustee”). The H-REIT Trust Deed is governed by the laws of the Republic of Singapore. The H-REIT Trustee is under a duty to take into custody and hold the assets of H-REIT held by it or through its subsidiaries in trust for the holders of units in H-REIT. HBT is a business trust constituted by a trust deed dated 12 June 2006 (as amended) (the “HBT Trust Deed”) and is managed by M&C Business Trust Management Limited (the “HBT Trustee-Manager”). The securities in each of H-REIT and HBT are stapled together under the terms of a stapling deed dated 12 June 2006 entered into between the H-REIT Manager, the H-REIT Trustee and the HBT Trustee-Manager (the “Stapling Deed”) and cannot be traded separately. Each stapled security in CDL Hospitality Trusts (the “Stapled Security”) comprises a unit in H-REIT (the “H-REIT Unit”) and a unit in HBT (the “HBT Unit”).

CDL Hospitality Trusts was formally admitted to the Official List of Singapore Exchange Securities Trading Limited (“SGX-ST”) on 19 July 2006.

The principal activity of H-REIT and its subsidiaries is to invest in income producing real estate and real estate related assets, which are used or primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes globally.

The principal activity of HBT and its subsidiaries is to invest in diversified portfolio of real estate or development projects and real estate related assets, which are used or primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes globally, and may also include the operation and management of the real estate assets.

The consolidated financial statements of the H-REIT Group relate to H-REIT and its subsidiaries. The consolidated financial statements of the HBT Group relate to HBT and its subsidiaries. The consolidated financial statements of the Stapled Group relate to the HBT Group and the H-REIT Group.

Several service agreements are in place in relation to the management of HBT and H-REIT and its property operations. The fee structures for these services are as follows:

(i) HBT Trustee-Manager's fees

Pursuant to Clauses 12.1, 12.2, 12.3 and 12.4 of the HBT Trust Deed, the HBT Trustee-Manager is entitled to the following:

- Trustee fee of not exceeding 0.1% per annum of the value of HBT's Deposited Property (as defined in the HBT Trust Deed), subject to a minimum fee of \$10,000 per month, if the value of HBT's Deposited Property is at least \$50.0 million. The trustee fee is payable in arrears on a monthly basis in the form of cash.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL (CONT'D)

(i) HBT Trustee-Manager's fees (cont'd)

- Management fees comprising a base fee of 0.25% per annum of the value of HBT's Deposited Property (as defined in the HBT Trust Deed) and a performance fee of 5.0% per annum of HBT's Net Property Income (as defined in the HBT Trust Deed).

The HBT Trustee-Manager's management fees are payable in the form of Stapled Securities and/or cash as the HBT Trustee-Manager may elect (such election to be irrevocable and made prior to the relevant calendar quarter), and in such proportion as may be determined by the HBT Trustee-Manager, such determination to be irrevocable and made prior to be relevant calendar quarter. Where the management fees are payable in the form of Stapled Securities or (in the event that unstapling of the H-REIT units and HBT units has taken place) HBT units, such Stapled Securities or HBT units shall be issued at the Market Price (as defined in the HBT Trust Deed) prevailing at the date the management fees accrue.

For the years ended 31 December 2025 and 31 December 2024, 80% of the HBT Trustee-Manager's management fees was satisfied in Stapled Securities and the remaining 20% was satisfied in cash.

Any increase in the maximum permitted rate or any change in the structure of the HBT Trustee-Manager's management fees must be approved by an extraordinary resolution at a meeting of holders of the HBT units duly convened and held in accordance with the provisions of the HBT Trust Deed.

The portion of the base management fee payable in the form of Stapled Securities is paid on a quarterly basis, in arrears. The portion of the base management fee payable in the form of cash is paid on a monthly basis, in arrears. Performance fee is paid on an annual basis in arrears, regardless of whether it is paid in the form of Stapled Securities or in cash.

- An acquisition fee of 1% (0.75% for acquisitions from related parties as defined in the HBT Trust Deed) of the acquisition price and a divestment fee of 0.5% of the sale price on all future acquisitions or disposals of properties. Both the acquisition fee and divestment fee are payable in the form of Stapled Securities and/or cash as the HBT Trustee-Manager may elect, and in such proportion as may be determined by the HBT Trustee-Manager. In the event that the HBT Trustee-Manager receives an acquisition fee in connection with a transaction with a related party, any such acquisition fee shall be paid in the form of Stapled Securities issued at the market price.
- Development management fee of 3% of the Total Project Costs (as defined in the HBT Trust Deed) incurred in a Development Project (as defined in the HBT Trust Deed) undertaken on behalf of the HBT Group. If the estimated Total Project Costs exceeds \$200.0 million, the HBT Trustee-Manager's independent directors will first review and approve the quantum of the development management fee whereupon the HBT Trustee-Manager may be directed by its independent directors to reduce the development management fee.

The development management fee is payable in equal monthly instalments in cash over the construction period of each Development Project based on the HBT Trustee-Manager's best estimate of the Total Project Costs and construction period and, if necessary, a final payment of the balance amount to be paid to the HBT Trustee-Manager or (as the case may be) paid by the HBT Trustee-Manager when the Total Project Costs is finalised. No acquisition fee shall be paid when the HBT Trustee-Manager receives the development management fee for a Development Project.

Any increase in the percentage or any change in the structure of the HBT Trustee-Manager's development management fee must be approved by an extraordinary resolution at a meeting of holders of the HBT units duly convened and held in accordance with the provisions of the HBT Trust Deed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL (CONT'D)

(ii) H-REIT Manager's fees

Pursuant to Clauses 14.1, 14.2 and 14.7 of the H-REIT Trust Deed, the H-REIT Manager is entitled to the following:

- Management fees comprising a base fee of 0.25% per annum of the value of H-REIT's Deposited Property (as defined in the H-REIT Trust Deed) and a performance fee of 5.0% per annum of H-REIT's Net Property Income (as defined in the H-REIT Trust Deed).

The H-REIT Manager's management fees are payable in the form of Stapled Securities and/or cash as the H-REIT Manager may elect (such election to be irrevocable and made prior to the relevant calendar quarter), and in such proportion as may be determined by the H-REIT Manager, such determination to be irrevocable and made prior to the relevant calendar quarter. Where the management fees are payable in the form of Stapled Securities or (in the event that unstapling of the H-REIT units and HBT units has taken place) H-REIT units, such Stapled Securities or H-REIT units shall be issued at the Market Price (as defined in the H-REIT Trust Deed) prevailing at the date the management fees accrue.

For the years ended 31 December 2025 and 31 December 2024, 80% of the H-REIT Manager's management fees was satisfied in Stapled Securities and the remaining 20% was satisfied in cash.

Any increase in the maximum permitted rate or any change in the structure of the H-REIT Manager's management fees must be approved by an extraordinary resolution at a meeting of holders of the H-REIT units duly convened and held in accordance with the provisions of the H-REIT Trust Deed.

The portion of the base management fee payable in the form of Stapled Securities is paid on a quarterly basis, in arrears. The portion of the base management fee payable in the form of cash is paid on a monthly basis, in arrears. Performance fee is paid on an annual basis in arrears, regardless of whether it is paid in the form of Stapled Securities or in cash.

- Acquisition fee of 1% (0.75% for acquisitions from related parties as defined in the H-REIT Trust Deed) of the acquisition price and a divestment fee of 0.5% of the sale price on all future acquisitions or disposals of properties. Both the acquisition fee and divestment fee are payable in the form of Stapled Securities and/or cash as the H-REIT Manager may elect, and in such proportion as may be determined by the H-REIT Manager. In the event that the H-REIT Manager receives an acquisition fee in connection with a transaction with a related party, any such acquisition fee shall be paid in the form of Stapled Securities issued at the market price.
- Development management fee of 3% of the Total Project Costs (as defined in the H-REIT Trust Deed) incurred in a Development Project (as defined in the H-REIT Trust Deed) undertaken on behalf of the H-REIT Group. If the estimated Total Project Costs exceeds \$200.0 million, the H-REIT Manager's independent directors will first review and approve the quantum of the development management fee whereupon the H-REIT Manager may be directed by its independent directors to reduce the development management fee.

The development management fee is payable in equal monthly instalments in cash over the construction period of each Development Project based on the H-REIT Manager's best estimate of the Total Project Costs and construction period and, if necessary, a final payment of the balance amount to be paid to the H-REIT Manager or (as the case may be) paid by the H-REIT Manager when the Total Project Costs is finalised. No acquisition fee shall be paid when the H-REIT Manager receives the development management fee for a Development Project.

Any increase in the percentage or any change in the structure of the H-REIT Manager's development management fee must be approved by an extraordinary resolution at a meeting of holders of the H-REIT units duly convened and held in accordance with the provisions of the H-REIT Trust Deed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL (CONT'D)

(iii) H-REIT Trustee's fee

Pursuant to the H-REIT Trust Deed, the H-REIT Trustee's fee shall not exceed 0.1% per annum of the value of H-REIT's Deposited Property (subject to a minimum of \$10,000 per month) or such higher percentage as may be fixed by an extraordinary resolution of a meeting of holders of the H-REIT units. The H-REIT Trustee's fee is payable out of H-REIT's Deposited Property on a monthly basis, in arrears. The H-REIT Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the H-REIT Trust Deed.

Based on the current agreement between the H-REIT Manager and the H-REIT Trustee, the H-REIT Trustee's fee is charged on a scaled basis of up to 0.02% per annum of the value of H-REIT's Deposited Property (subject to a minimum of \$10,000 per month).

2 BASIS OF PREPARATION

2.1 Statement of compliance

The consolidated financial statements of the HBT Group have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**"), the applicable requirements of the Business Trusts Act 2004 of Singapore and the provisions of the HBT Trust Deed.

The consolidated financial statements of the H-REIT Group and the Stapled Group are prepared in accordance with the Statement of Recommended Accounting Practice ("**RAP**") 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes (the "**CIS Code**") issued by the Monetary Authority of Singapore ("**MAS**") and the provisions of the H-REIT Trust Deed and the Stapling Deed. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of the Singapore Financial Reporting Standards ("**FRS**").

2.2 Going concern

The consolidated financial statements of the HBT Group have been prepared on a going concern basis. Notwithstanding there is a deficiency in unitholders' funds of \$10.4 million as at 31 December 2025, and having considered the cash liquidity of the HBT Group and the financial support given by H-REIT to HBT, the HBT Group is expected to have sufficient funds to discharge its obligations as and when they fall due.

2.3 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except as described below.

2.4 Functional and presentation currency

The consolidated financial statements are presented in Singapore dollars, which is the functional currency of HBT and H-REIT. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.5 Use of estimates and judgements

The preparation of consolidated financial statements in conformity with FRS/SFRS(I) requires management to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities, that affect the application of the Stapled Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Stapled Group's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 BASIS OF PREPARATION (CONT'D)

2.5 Use of estimates and judgements (cont'd)

Information about critical judgements in applying accounting policies and assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the financial statements are described in the following notes:

- Note 4 – Valuation of investment properties
- Note 5 – Valuation of property, plant and equipment

Measurement of fair values

A number of the Stapled Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The H-REIT Manager and the HBT Trustee-Manager have an established control framework with respect to the measurement of fair values. This includes a team that regularly reviews significant unobservable inputs and reports directly to the Chief Financial Officer, who has overall responsibility for all significant fair value measurements.

The H-REIT Manager and the HBT Trustee-Manager regularly review significant unobservable inputs and valuation adjustments included in the fair value measurements. If third-party information, such as property valuations or broker quotes or pricing services, is used to measure fair value, then the H-REIT Manager and the HBT Trustee-Manager assess the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of FRS/SFRS(I), including the level in the fair value hierarchy the resulting fair value estimate should be classified.

When measuring the fair value of an asset or a liability, the H-REIT Manager and the HBT Trustee-Manager use market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: unobservable inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

Transfers between levels of the fair value hierarchy are recognised as of the end of the financial year during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 4 – Valuation of investment properties
- Note 5 – Valuation of property, plant and equipment
- Note 25 – Valuation of financial instruments

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES

The material accounting policies set out below have been consistently applied by the HBT Group, the H-REIT Group and the Stapled Group to all periods presented in these consolidated financial statements.

3.1 Consolidation

(i) Stapling

Where entities enter into a stapling arrangement, the stapling arrangement is accounted for as a business combination under the acquisition method.

(ii) Business combinations

The Stapled Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Stapled Group. In determining whether a particular set of activities and assets is a business, the Stapled Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Stapled Group has an option to apply a ‘concentration test’ that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Stapled Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest (“NCI”) in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree, over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss or the statements of total return (as the case may be).

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree’s net assets in the event of liquidation are measured either at fair value or at the NCI’s proportionate share of the recognised amounts of the acquiree’s identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by FRS/SFRS(I).

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Stapled Group incurs in connection with a business combination are expensed as incurred.

(iii) Subsidiaries

Subsidiaries are entities controlled by either the HBT Group or the H-REIT Group. The HBT Group and the H-REIT Group control an entity when they are exposed to, or have rights to, variable returns from their involvement with the entity and have the ability to affect those returns through their power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies of the HBT Group, the H-REIT Group and the Stapled Group, where appropriate. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements of the HBT Group, the H-REIT Group and the Stapled Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.2 Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the entities in the HBT Group, the H-REIT Group and the Stapled Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in the foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss or the statements of total return (as the case may be). However, for foreign currency differences arising on the translation of a financial liability designated as a hedge of the HBT Group’s, the H-REIT Group’s and the Stapled Group’s net investment in a foreign operation to the extent that the hedge is effective are recognised in other comprehensive income (“OCI”) or unitholders’ funds (as the case may be) directly.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised directly in OCI or unitholders’ funds (as the case may be). However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to profit or loss or the statements of total return (as the case may be) as part of the gain or loss on disposal. When only part of the interest in a subsidiary that includes a foreign operation is disposed of while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised directly in the foreign currency translation reserve in OCI or unitholders’ funds (as the case may be).

(iii) Hedge of net investment in foreign operation

The HBT Group, the H-REIT Group and the Stapled Group apply hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the HBT Group, the H-REIT Group and the Stapled Group’s functional currency (Singapore dollars), regardless of whether the net investment is held directly or through an intermediate parent.

Foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised directly in the foreign currency translation reserve in unitholders’ funds to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in profit or loss or the statements of total return (as the case may be). When the hedged net investment is disposed of, the relevant amount in the foreign currency translation reserve is transferred to profit or loss or the statements of total return (as the case may be) as part of the profit or loss on disposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Property, plant and equipment

(i) Recognition and measurement

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent to recognition, freehold land, leasehold land and buildings are measured at fair value less accumulated depreciation and accumulated impairment losses while other assets are measured at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any surplus arising on the revaluation is recognised in OCI or unitholders’ funds (as the case may be), except to the extent that the surplus reverses a previous revaluation deficit on the same asset recognised in profit or loss or the statements of total return (as the case may be), in which case the credit to that extent is recognised in profit or loss or the statements of total return (as the case may be). Any deficit on revaluation is recognised in profit or loss or the statements of total return (as the case may be) except to the extent that it reverses a previous revaluation surplus on the same asset, in which case the debit to that extent is recognised in OCI or unitholders’ funds (as the case may be).

When an item of property, plant and equipment is sold or retired, its cost and accumulated depreciation are removed from the statements of financial position. The gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss or the statements of total return (as the case may be). The revaluation surplus included in equity or unitholders’ funds (as the case may be) in respect of an item of property, plant and equipment measured using revaluation model, is transferred directly to accumulated profits/losses or unitholders’ funds (as the case may be).

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Stapled Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss or the statements of total return (as the case may be) as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss or the statements of total return (as the case may be) on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Stapled Group will obtain ownership by the end of the lease term. Freehold land and capital work-in-progress are not depreciated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Property, plant and equipment (cont'd)

(iii) Depreciation (cont'd)

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative years are as follows:

• Leasehold land	Remaining useful lives of land leases of 79 years to 122 years (2024: 80 years to 123 years)
• Buildings	31 years to 50 years
• Plant and machinery	10 years to 12 years
• Furniture and fixtures	7 years
• Motor vehicles and boats	5 years
• Office equipment	5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

3.4 Investment properties

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value with any changes therein recognised in profit or loss or the statements of total return (as the case may be).

The cost of a purchased property comprises its purchase price and any directly attributable expenditure including transaction costs. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. Fair value is determined in accordance with the HBT Trust Deed and the H-REIT Trust Deed which requires the investment properties to be valued by independent registered valuers in the following events:

- at least once a year in accordance with the Property Funds Appendix of CIS Code issued by MAS; and
- where the HBT Trustee-Manager and the H-REIT Manager propose to issue new units for subscription or to redeem existing units unless the investment properties have been valued not more than 6 months ago.

When an investment property is disposed of, the resulting gain or loss recognised in profit or loss or the statements of total return (as the case may be) is the difference between net disposal proceeds and the carrying amount of the property.

Properties are classified either as investment properties or property, plant and equipment in the statements of financial position. In assessing whether a property is classified as an investment property or property, plant and equipment, the Stapled Group takes into consideration several factors including, but not limited to, the business model, the extent of ancillary services provided, the power that the Stapled Group has to make significant operating and financing decisions regarding the operations of the property and the significance of its exposure to variations in the net cash flows of the property. The factors above are considered collectively, together with the facts and circumstances of each lease, in determining the classification of a property.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Leases

At inception of a contract, the Stapled Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Stapled Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Stapled Group has elected not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.

The Stapled Group recognises a right-of-use ("ROU") asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The subsequent measurement of the ROU asset will depend on whether it is presented in property, plant and equipment or investment properties. The accounting policies for property, plant and equipment and investment properties are set out in Note 3.3 and Note 3.4 respectively.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate as the discount rate.

The Stapled Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- lease payments in an optional renewal period if the Stapled Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Stapled Group changes its assessment of whether it will exercise an extension option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss or the statements of total return (as the case may be) if the carrying amount of the ROU asset has been reduced to zero.

The Stapled Group presents ROU assets that do not meet the definition of investment properties in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statements of financial position.

Short-term leases and leases of low value assets

The Stapled Group has elected not to recognise ROU assets and lease liabilities for leases of low-value assets and short-term leases. The Stapled Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Leases (cont'd)

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Stapled Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Stapled Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Stapled Group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Stapled Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Stapled Group is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset.

If an arrangement contains lease and non-lease components, then the Stapled Group applies FRS 115/SFRS(I) 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract.

The Stapled Group applies the derecognition and impairment requirements in FRS 109/SFRS(I) 9 *Financial Instruments* to the net investment in the lease (see Note 3.7(i)).

The Stapled Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

3.6 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Stapled Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI") – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Stapled Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets (cont'd)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. On initial recognition, the Stapled Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Stapled Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Stapled Group's continuing recognition of the assets.

The Stapled Group has financial assets that have a held-to-collect business model. The objective of the business model is to collect the amounts due from the Stapled Group's receivables and where applicable to earn contractual interest income on the amounts collected.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Stapled Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Stapled Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Stapled Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss or the statements of total return (as the case may be). Any gain or loss on derecognition is recognised in profit or loss or the statements of total return (as the case may be).

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss or the statements of total return (as the case may be).

Non-derivative financial liabilities

Financial liabilities are classified as measured at amortised cost. Financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss or the statements of total return (as the case may be).

(iii) Derecognition

Financial assets

The Stapled Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Stapled Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Stapled Group enters into transactions whereby it transfers assets recognised in its statements of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Stapled Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Stapled Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss or the statements of total return (as the case may be).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Stapled Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and fixed deposits that are subject to an insignificant risk of changes in their fair values, and are used by the Stapled Group in the management of its short-term commitments. For the purpose of the statements of cash flows, restricted cash is excluded.

(vi) Derivative financial instruments and hedge accounting

The Stapled Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss or the statements of total return (as the case may be) as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss or the statements of total return (as the case may be).

The Stapled Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Stapled Group documents the risk management objective and strategy for undertaking the hedge. The Stapled Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Net investment hedges

The Stapled Group designates certain non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of foreign exchange gains and losses for a non-derivative financial liability is recognised in OCI or unitholders' funds (as the case may be) and presented in the translation reserve within unitholders' funds. Any ineffective portion of foreign exchange gains and losses on the non-derivative financial liability is recognised immediately in profit or loss or the statements of total return (as the case may be). The amount recognised in the foreign currency translation reserve is fully or partially reclassified to profit or loss or the statements of total return (as the case may be) as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in profit or loss or the statements of total return (as the case may be).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment

(i) Non-derivative financial assets

The Stapled Group recognises loss allowances for expected credit loss ("ECL") on financial assets measured at amortised cost ('cash and cash equivalents' and 'trade and other receivables') and lease receivables.

Loss allowances of the Stapled Group are measured on either of the following bases:

- 12-month ECL: these are ECL that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECL: these are ECL that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Stapled Group applies the simplified approach to provide for ECL for all trade receivables (including lease receivables). The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECL.

General approach

The Stapled Group applies the general approach to provide for ECL on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECL at initial recognition.

At each reporting date, the Stapled Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Stapled Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Stapled Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECL.

The Stapled Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Stapled Group in full, without recourse by the Stapled Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECL is the maximum contractual period over which the Stapled Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Stapled Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

Credit-impaired financial assets

At each reporting date, the Stapled Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Stapled Group on terms that the Stapled Group would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statements of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Stapled Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Stapled Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Stapled Group's non-financial assets, other than investment properties, deferred tax assets and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash generating unit ("CGU") exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss or the statements of total return (as the case may be). Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (groups of CGUs), and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.8 Unitholders' funds and perpetual securities

Unitholders' funds of the Stapled Group comprise unitholders' funds of the HBT Group and the H-REIT Group. Unitholders' funds are classified as equity.

Issue expenses relate to expenses incurred in connection with the issue of Stapled Securities. The expenses are deducted directly against the unitholders' funds.

The perpetual securities which are classified as equity, have no fixed redemption date and are redeemable at H-REIT's discretion. The perpetual securities also incorporate a non-cumulative deferral feature, under which distributions are payable only if declared by H-REIT. Unpaid distributions do not accrue, do not need to be paid at a later date, and no obligation arises in periods when distributions are not declared. In the event of a liquidation, these perpetual securities rank after creditors but ahead of ordinary shares. Any distributions made are directly debited from equity and costs directly attributable to the issue of the perpetual securities are deducted against the proceeds from the issue.

3.9 Revenue

(i) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss or the statements of total return (as the case may be) on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income to be received. Variable rentals are recognised as income in the accounting period in which they are earned and the amount can be measured reliably.

(ii) Hotel revenue

Revenue from hotel and resort operations comprises mainly room, food and beverage and other hotel related services income. Room revenue is recognised when performance obligations are satisfied over the period of stay. Food and beverage revenue and other hotel related services are recognised at a point in time when performance obligations are satisfied by rendering the relevant goods and services to the customers.

3.10 Finance income and finance costs

Finance income comprises interest income on funds invested, finance lease receivables and loans to related entity, net foreign exchange gains and gains on hedging instruments that are recognised in profit or loss or the statements of total return (as the case may be). Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprises interest expense on loans and borrowings, lease liabilities and loans from related entity, amortisation of transaction costs on loans and borrowings, unwinding of the discount on non-current rental deposits, net foreign exchange losses and losses on hedging instruments that are recognised in profit or loss or the statements of total return (as the case may be). Interest expenses are recognised as they accrue, using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

3.11 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss or the statements of total return (as the case may be) except to the extent that it relates to a business combination, or items recognised directly in OCI or unitholders' funds (as the case may be).

The Stapled Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37/SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Tax (cont'd)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflect uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that at the time of the transaction (i) affects neither accounting nor taxable profit or loss; and (ii) does not give rise to equal taxable and deductible temporary differences; and
- temporary differences related to investments in subsidiaries to the extent that they will not reverse in the foreseeable future.

Temporary differences in relation to a ROU asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Stapled Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Stapled Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Stapled Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Stapled Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

H-REIT received a tax ruling from the Inland Revenue Authority of Singapore ("IRAS") and subject to meeting the terms and conditions of the tax ruling, which includes a distribution of at least 90% of the taxable income of H-REIT, H-REIT will not be taxed on the portion of taxable income of H-REIT that is distributed to holders of H-REIT units. Any portion of the taxable income that is not distributed to holders of H-REIT units will be taxed in the hands of the H-REIT Trustee. In the event that there are subsequent adjustments to the taxable income when the actual taxable income of H-REIT is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the taxable income for the next distribution following the agreement with the IRAS.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Tax (cont'd)

Although H-REIT is not taxed on its taxable income distributed, the H-REIT Trustee and the H-REIT Manager are required to deduct income tax at the applicable corporate tax rate from distributions of such taxable income of H-REIT (i.e. which has not been taxed in the hands of the H-REIT Trustee) to certain holders of H-REIT units. The H-REIT Trustee and the H-REIT Manager will not deduct tax from distributions made out of H-REIT's taxable income to the extent that the beneficial holder of H-REIT units is:

- An individual;
- A company incorporated and tax resident in Singapore;
- A branch in Singapore of a company incorporated outside Singapore;
- A body of persons incorporated or registered in Singapore, including:
 - (i) a charity registered under the Charities Act 1994 or established by any written law;
 - (ii) a town council;
 - (iii) a statutory board;
 - (iv) a co-operative society registered under the Co-operative Societies Act 1979;
 - (v) a platform work association registered under Part 3 of the Platform Workers Act 2024;
 - (vi) a trade union registered under the Trade Unions Act 1940;
- 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
- A trustee of an approved real estate investment trust exchange-traded fund.

The above tax transparency ruling does not apply to gains from sale of real properties. Such gains which are considered as trading gains are assessable to tax in the hands of the H-REIT Trustee. H-REIT will not be assessed to tax on capital gains and may distribute the capital gains without tax being deducted at source.

3.12 Earnings per Stapled Security

The Stapled Group presents basic and diluted earnings per Stapled Security. Basic earnings per Stapled Security is calculated by dividing the total return attributable to Stapled Security Holders by the weighted average number of Stapled Securities outstanding during the year. Diluted earnings per Stapled Security is determined by adjusting the total return attributable to Stapled Security Holders and the weighted average number of Stapled Securities outstanding, adjusted for the effects of all dilutive potential Stapled Securities.

3.13 Segment reporting

An operating segment is a component of the HBT Group, the H-REIT Group and the Stapled Group that engages in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components of the HBT Group, the H-REIT Group and the Stapled Group. All operating segments' operating results are reviewed regularly by the HBT Board or the H-REIT Board (the "Boards") to make decisions about resources to be allocated to the segment and assess its performance, and is a component for which discrete financial information is available.

Segment results that are reported to the Boards include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly management fee, finance income, finance costs and other expenses.

Segment capital expenditure is the total cost incurred on investment properties and property, plant and equipment during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.14 New accounting standards and amendments to standards not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted. However, the Stapled Group has not early adopted the new or amended accounting standards in preparing these consolidated financial statements.

(i) SFRS(I) 18 Presentation and Disclosure in Financial Statements

FRS 118/SFRS(I) 18 will replace FRS 1/SFRS(I) 1-1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

The Stapled Group is in the process of assessing the impact of the new accounting standards, particularly with respect to the structure of the Stapled Group's statement of total return, the statement of cash flows and the additional disclosures required for MPMs. The Stapled Group is also assessing the impact on how information is grouped in the consolidated financial statements, including for items currently labelled as 'other'.

(ii) Other accounting standards

The following amendments to FRS/SFRS(I)s are not expected to have a significant impact on the Stapled Group's consolidated financial statements:

- Classification and Measurement of Financial Instruments (Amendments to FRS 109/SFRS(I) 9 and FRS 107/ SFRS(I) 7)
- Annual Improvements to FRSs/SFRS(I)s - Volume 11
- Contracts Referencing Nature-dependent Electricity (Amendments to FRS 109/SFRS(I) 9 and FRS 107/ SFRS(I) 7)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 INVESTMENT PROPERTIES

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January	163,430	–	2,828,851	2,750,215	2,478,796	2,232,899
Acquisition of property, including acquisition costs (Note 29)	–	7,224	–	69,607	–	76,831
Capital expenditure	386	987	39,718	37,778	18,989	24,299
Reclassification from investment property under development ⁽¹⁾	–	155,942	–	–	–	155,054
Fair value changes (unrealised)	9,458	(574)	(13,344)	(9,738)	(28,478)	5,771
Straight-line rental adjustments	–	–	(1,670)	1	(851)	860
Adjustment to ROU assets	–	–	1,367	1,723	1,367	1,723
Translation differences	2,854	(149)	5,353	(20,735)	10,044	(18,641)
At 31 December	176,128	163,430	2,860,275	2,828,851	2,479,867	2,478,796

⁽¹⁾ The practical completion of the residential development work has been achieved on 4 June 2024 and is known as the "The Castings". It was thereafter reclassified from investment property under development.

The straight-line rental adjustments represent the effect of recognising rental income on a straight-line basis over the lease term of the investment properties.

Security

At 31 December 2025, an investment property of the H-REIT Group and the Stapled Group with a carrying amount of \$144.4 million (2024: \$147.7 million) is pledged as security to secure a bank loan (Note 9).

Measurement of fair value

The carrying amounts of the investment properties were based on independent valuations undertaken by the following independent valuers:

Country	2025	2024
Singapore	CBRE Pte Ltd	Knight Frank Pte Ltd
Australia	Newmark Real Estate Singapore Pte Ltd	CBRE Valuations Pty Limited
New Zealand	Jones Lang LaSalle Limited	CBRE Limited
Maldives	Newmark Real Estate Singapore Pte Ltd	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
United Kingdom	Newmark Real Estate Singapore Pte Ltd CBRE Limited	Colliers International Consultancy & Valuation (Singapore) Pte Ltd CBRE Limited Knight Frank LLP
Germany	CBRE GmbH	Colliers International Property Consultants Limited
Italy	CBRE Valuation S.p.A.	C&W (U.K.) LLP (Italian Branch)

The independent valuers have appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 INVESTMENT PROPERTIES (CONT'D)

Measurement of fair value (cont'd)

The valuations were based on the discounted cash flow, capitalisation, comparative and investment methods, where appropriate. The valuation methods used in determining the fair value involve certain estimates including those relating to discount rate, terminal yield and capitalisation rate. The specific risks inherent in each of the properties are taken into consideration in arriving at the property valuation. In relying on the valuation reports, the H-REIT Manager and the HBT Trustee-Manager have exercised their judgement and are satisfied that the valuation methods and estimates used are reflective of market conditions prevailing at the end of the reporting date.

Fair value hierarchy

The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used (see Note 2.5).

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Fair value of investment properties (based on valuation reports)	176,128	163,430	2,741,270	2,710,455	2,424,208	2,424,369
Add: Carrying amount of lease liabilities	–	–	119,005	118,396	55,659	54,427
Carrying amount of investment properties	176,128	163,430	2,860,275	2,828,851	2,479,867	2,478,796

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

Country	Valuation techniques	Significant unobservable inputs	2025	2024
Singapore	Discounted cash flow and capitalisation methods	<u>Hotel</u>		
		Discount rate	5.50% - 6.75%	6.00% - 7.50%
		Terminal yield	3.50% - 4.75%	3.50% - 5.00%
		Capitalisation rate	3.25% - 4.50%	3.25% - 4.75%
		<u>Retail</u>		
		Discount rate	7.00%	7.00%
		Terminal yield	5.25%	5.00%
		Capitalisation rate	5.00%	4.75%
Australia	Discounted cash flow and capitalisation methods	Discount rate	8.10%	8.50% - 8.75%
		Terminal yield	6.10%	6.75% - 7.00%
		Capitalisation rate	N.A.	6.25% - 6.50%
New Zealand	Discounted cash flow and capitalisation methods	Discount rate	8.25%	9.25%
		Terminal yield	6.25%	7.00%
		Capitalisation rate	6.25%	6.75%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 INVESTMENT PROPERTIES (CONT'D)

Valuation techniques and significant unobservable inputs (cont'd)

Country	Valuation techniques	Significant unobservable inputs	2025	2024
Maldives	Discounted cash flow method	Discount rate	10.10% - 11.00%	11.00% - 11.75%
		Terminal yield	8.10% - 9.00%	8.90% - 9.65%
United Kingdom	Discounted cash flow, capitalisation, comparative and investment methods	<u>Hotel</u>		
		Discount rate	9.00%	9.10%
		Terminal yield	7.00%	7.10%
		<u>Residential and Car Park</u>		
		Capitalisation rate	4.60% - 5.80%	4.70% - 5.75%
		<u>Retail</u>		
Germany	Discounted cash flow and capitalisation methods	Capitalisation rate	8.75% - 10.00%	8.50% - 9.00%
		<u>Hotel</u>		
		Discount rate	6.90% - 9.00%	8.00%
		Terminal yield	5.50% - 7.00%	6.00%
		<u>Retail</u>		
		Discount rate	6.00%	N.A.
Italy	Discounted cash flow method	Terminal yield	5.25%	N.A.
		Capitalisation rate	N.A.	6.73%
		Discount rate	7.17% - 9.92%	7.55%
		Terminal yield	5.00% - 7.75%	5.65%

N.A. – Not applicable

Inter-relationship between key unobservable inputs and fair value measurement

The significant unobservable inputs used in the fair value measurement of investment properties are discount rate, terminal yield and capitalisation rate. An increase in discount rate, terminal yield and capitalisation rate in isolation would result in a lower fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 PROPERTY, PLANT AND EQUIPMENT

	At valuation			At cost					Total
	Freehold land	Leasehold land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipment	Capital work-in-progress	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
HBT Group									
At valuation/cost									
At 1 January 2024	–	100,696	167,614	5,474	126	41,595	1,034	94	316,633
Acquisition (Note 29)	2,582	–	24,095	–	–	3,966	–	–	30,643
Additions	–	–	–	611	–	1,112	15	187	1,925
Write-off	–	–	–	–	(84)	–	–	–	(84)
Adjustment to ROU assets	–	–	1,445	–	(42)	–	–	–	1,403
Translation differences	(28)	1,626	(653)	69	–	495	14	1	1,524
Reversal of revaluation deficit/(Revaluation deficit) recognised in profit or loss	–	2,250	(431)	–	–	–	–	–	1,819
Revaluation surplus recognised in OCI	–	2,918	2,000	–	–	–	–	–	4,918
Elimination of accumulated depreciation on revaluation	–	(3,557)	(8,799)	–	–	–	–	–	(12,356)
At 31 December 2024	2,554	103,933	185,271	6,154	–	47,168	1,063	282	346,425
At 1 January 2025	2,554	103,933	185,271	6,154	–	47,168	1,063	282	346,425
Additions	–	466	–	310	–	292	–	1,316	2,384
Write-off	–	–	(77)	–	–	–	–	–	(77)
Additions of ROU assets	–	–	116	–	73	–	–	–	189
Adjustment to ROU assets	–	–	453	–	–	–	–	–	453
Translation differences	44	7	2,405	107	–	810	19	12	3,404
Transfers	–	(68)	16	(9)	–	(45)	106	–	–
Reversal of revaluation deficit/(Revaluation deficit) recognised in profit or loss	–	3,418	(4,122)	–	–	–	–	–	(704)
Revaluation surplus/(deficit) recognised in OCI	–	1,772	(2,510)	–	–	–	–	–	(738)
Elimination of accumulated depreciation on revaluation	–	(3,559)	(8,972)	–	–	–	–	–	(12,531)
At 31 December 2025	2,598	105,969	172,580	6,562	73	48,225	1,188	1,610	338,805

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation			At cost					Total
	Freehold land	Leasehold land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipment	Capital work-in-progress	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
HBT Group (cont'd)									
Accumulated depreciation									
At 1 January 2024	–	–	–	2,891	42	24,312	944	–	28,189
Depreciation	–	3,557	8,799	552	42	3,428	50	–	16,428
Write-off	–	–	–	–	(84)	–	–	–	(84)
Translation differences	–	–	–	36	–	306	12	–	354
Elimination of accumulated depreciation on revaluation	–	(3,557)	(8,799)	–	–	–	–	–	(12,356)
At 31 December 2024	–	–	–	3,479	–	28,046	1,006	–	32,531
At 1 January 2025	–	–	–	3,479	–	28,046	1,006	–	32,531
Depreciation	–	3,559	9,049	588	37	3,076	92	–	16,401
Write-off	–	–	(77)	–	–	–	–	–	(77)
Translation differences	–	–	–	63	–	500	17	–	580
Elimination of accumulated depreciation on revaluation	–	(3,559)	(8,972)	–	–	–	–	–	(12,531)
At 31 December 2025	–	–	–	4,130	37	31,622	1,115	–	36,904
Carrying amounts									
At 31 December 2024	2,554	103,933	185,271	2,675	–	19,122	57	282	313,894
At 31 December 2025	2,598	105,969	172,580	2,432	36	16,603	73	1,610	301,901

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation		At cost			
	Freehold land \$'000	Buildings \$'000	Plant and machinery \$'000	Motor vehicles and boats \$'000	Furniture and fixtures \$'000	Total \$'000
H-REIT Group						
At valuation/cost						
At 1 January 2024	48,429	21,035	5,100	2,965	943	78,472
Additions	–	–	12	604	–	616
Translation differences	(3,743)	(1,577)	(367)	89	(68)	(5,666)
Revaluation surplus recognised in unitholders' funds	13,134	3,995	–	–	–	17,129
Elimination of accumulated depreciation on revaluation	–	(797)	–	–	–	(797)
At 31 December 2024	57,820	22,656	4,745	3,658	875	89,754
At 1 January 2025	57,820	22,656	4,745	3,658	875	89,754
Additions	–	–	–	90	70	160
Write-off	–	(36)	–	–	–	(36)
Translation differences	(3,626)	(783)	(231)	(201)	(47)	(4,888)
Revaluation surplus/(deficit) recognised in unitholders' funds	14,442	(4,731)	–	–	–	9,711
Elimination of accumulated depreciation on revaluation	–	(917)	–	–	–	(917)
At 31 December 2025	68,636	16,189	4,514	3,547	898	93,784
Accumulated depreciation						
At 1 January 2024	–	–	4,428	1,738	492	6,658
Depreciation	–	797	473	414	120	1,804
Translation differences	–	–	(329)	53	(37)	(313)
Elimination of accumulated depreciation on revaluation	–	(797)	–	–	–	(797)
At 31 December 2024	–	–	4,572	2,205	575	7,352
At 1 January 2025	–	–	4,572	2,205	575	7,352
Depreciation	–	953	93	415	122	1,583
Write-off	–	(36)	–	–	–	(36)
Translation differences	–	–	(228)	(127)	(35)	(390)
Elimination of accumulated depreciation on revaluation	–	(917)	–	–	–	(917)
At 31 December 2025	–	–	4,437	2,493	662	7,592
Carrying amounts						
At 31 December 2024	57,820	22,656	173	1,453	300	82,402
At 31 December 2025	68,636	16,189	77	1,054	236	86,192

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation			At cost				
	Freehold land \$'000	Leasehold land \$'000	Buildings \$'000	Plant and machinery \$'000	Furniture and fixtures \$'000	Motor vehicles and boats \$'000	Office equipment \$'000	Capital work-in-progress \$'000
Stapled Group								
At valuation/cost								
At 1 January 2024	72,760	332,740	357,907	34,925	55,466	3,090	7,128	7,053
Acquisition (Note 29)	2,582	–	24,095	–	3,966	–	–	–
Additions	–	–	5,480	2,129	2,644	604	847	5,305
Write-off	–	–	–	–	–	(84)	–	–
Transfers	–	–	–	4,566	2,722	–	95	(7,383)
Adjustment to ROU assets	–	–	1,445	–	–	(42)	–	–
Revaluation surplus recognised in unitholders' funds	13,013	3,261	3,813	–	–	–	–	–
Reversal of revaluation deficit/(Revaluation deficit) recognised in statement of total return	88	(10,964)	2,187	–	–	–	–	–
Translation differences	(5,197)	1,510	(2,410)	(281)	406	89	77	–
Elimination of accumulated depreciation on revaluation	–	(4,001)	(8,801)	–	–	–	–	–
At 31 December 2024	83,246	322,546	383,716	41,339	65,204	3,657	8,147	4,975
At 1 January 2025	83,246	322,546	383,716	41,339	65,204	3,657	8,147	4,975
Additions	–	466	5,303	1,266	14,653	90	596	1,316
Write-off	–	–	(113)	–	(31)	–	–	–
Transfers	–	(68)	16	16	4,366	–	274	(4,604)
Additions of ROU assets	–	–	116	–	–	73	–	–
Adjustment to ROU assets	–	–	453	–	–	–	–	–
Revaluation surplus recognised in unitholders' funds	16,972	1,195	20,438	–	–	–	–	–
Reversal of revaluation deficit/(Revaluation deficit) recognised in statement of total return	–	3,010	(11,142)	–	–	–	–	–
Translation differences	(3,167)	165	(91)	(419)	643	(201)	(185)	12
Elimination of accumulated depreciation on revaluation	–	(3,871)	(9,515)	–	–	–	–	–
At 31 December 2025	97,051	323,443	389,181	42,202	84,835	3,619	8,832	1,699

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At valuation			At cost					Total
	Freehold land	Leasehold land	Buildings	Plant and machinery	Furniture and fixtures	Motor vehicles and boats	Office equipment	Capital work-in-progress	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Stapled Group (cont'd)									
Accumulated depreciation									
At 1 January 2024	–	–	–	18,218	31,576	1,780	4,884	–	56,458
Depreciation	–	4,001	8,801	3,235	5,084	455	1,000	–	22,576
Write-off	–	–	–	–	–	(84)	–	–	(84)
Translation differences	–	–	–	(216)	320	53	71	–	228
Elimination of accumulated depreciation on revaluation	–	(4,001)	(8,801)	–	–	–	–	–	(12,802)
At 31 December 2024	–	–	–	21,237	36,980	2,204	5,955	–	66,376
At 1 January 2025	–	–	–	21,237	36,980	2,204	5,955	–	66,376
Depreciation	–	3,871	9,628	3,391	6,734	452	1,223	–	25,299
Write-off	–	–	(113)	–	(31)	–	–	–	(144)
Translation differences	–	–	–	(415)	313	(128)	(134)	–	(364)
Elimination of accumulated depreciation on revaluation	–	(3,871)	(9,515)	–	–	–	–	–	(13,386)
At 31 December 2025	–	–	–	24,213	43,996	2,528	7,044	–	77,781
Carrying amounts									
At 31 December 2024	83,246	322,546	383,716	20,102	28,224	1,453	2,192	4,975	846,454
At 31 December 2025	97,051	323,443	389,181	17,989	40,839	1,091	1,788	1,699	873,081

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

For each revalued class of property, plant and equipment, the carrying amount that would have been recognised had the assets been carried under the cost model is as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Freehold land						
Cost and carrying value	2,598	2,554	25,244	26,535	47,721	48,657
Leasehold land						
Cost	126,526	127,035	–	–	367,655	367,127
Accumulated depreciation and impairment losses	(29,637)	(30,337)	–	–	(30,025)	(28,509)
Carrying value	96,889	96,698	–	–	337,630	338,618
Buildings						
Cost	216,710	213,366	19,836	20,888	425,347	423,347
Accumulated depreciation and impairment losses	(47,145)	(36,493)	(6,267)	(6,027)	(96,874)	(86,147)
Carrying value	169,565	176,873	13,569	14,861	328,473	337,200

Measurement of fair value

The carrying amounts of the properties were based on independent valuations undertaken by the following independent valuers:

Country	2025	2024
Singapore	CBRE Pte Ltd	Knight Frank Pte Ltd
Australia	Newmark Real Estate Singapore Pte Ltd	CBRE Valuations Pty Limited
Maldives	Newmark Real Estate Singapore Pte Ltd	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
Japan	CBRE K.K.	Cushman & Wakefield K.K.
United Kingdom	Newmark Real Estate Singapore Pte Ltd	Colliers International Consultancy & Valuation (Singapore) Pte Ltd CBRE Limited

The independent valuers have appropriate professional qualifications and recent experience in the location and category of the properties being valued.

The valuations were based on the discounted cash flow and capitalisation methods, where appropriate. The valuation methods used in determining the fair value involve certain estimates including those relating to discount rate, terminal yield and capitalisation rate. The specific risks inherent in each of the properties are taken into consideration in arriving at the property valuation. In relying on the valuation reports, the H-REIT Manager and the HBT Trustee-Manager have exercised their judgement and are satisfied that the valuation methods and estimates used are reflective of market conditions prevailing at the end of the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Fair value hierarchy

The fair value measurement for property, plant and equipment has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used (see Note 2.5).

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring the fair value of property, plant and equipment, as well as the significant unobservable inputs used.

Country	Valuation techniques	Significant unobservable inputs	2025	2024
Singapore	Discounted cash flow and capitalisation methods	Discount rate	5.75%	6.00%
		Terminal yield	3.75%	3.75%
		Capitalisation rate	3.50%	3.50%
Australia	Discounted cash flow and capitalisation methods	Discount rate	8.10%	8.50% - 8.75%
		Terminal yield	6.10%	6.75% - 7.00%
		Capitalisation rate	N.A.	6.50% - 6.75%
Maldives	Discounted cash flow method	Discount rate	10.10%	10.75%
		Terminal yield	8.10%	8.65%
Japan	Discounted cash flow and capitalisation methods	Discount rate	4.10% - 4.20%	4.10% - 4.40%
		Terminal yield	4.30% - 4.40%	4.40% - 4.70%
		Capitalisation rate	4.20% - 4.30%	4.30% - 4.60%
United Kingdom	Discounted cash flow method	Discount rate	8.40% - 9.00%	9.00% - 10.00%
		Terminal yield	6.40% - 7.00%	7.00% - 8.00%

N.A. – Not applicable

Inter-relationship between key unobservable inputs and fair value measurement

The significant unobservable inputs used in the fair value measurement of properties are discount rate, terminal yield and capitalisation rate. An increase in discount rate, terminal yield and capitalisation rate in isolation would result in a lower fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 FINANCE LEASE RECEIVABLES

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Finance lease receivables:						
- related corporation	–	–	3,435	4,345	3,435	4,345
Non-current	–	–	2,408	3,435	2,408	3,435
Current	–	–	1,027	910	1,027	910
	–	–	3,435	4,345	3,435	4,345

Finance lease receivables relate to sub-lease of a property to a related corporation. There is no impairment loss arising from the receivables as the ECL is negligible.

7 TRADE AND OTHER RECEIVABLES

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade receivables:						
- related corporations	–	–	6,081	6,298	6,081	6,298
- related entities	–	–	34,795	33,340	–	–
- third parties	5,499	4,488	5,971	10,694	11,470	15,182
	5,499	4,488	46,847	50,332	17,551	21,480
Impairment loss	(646)	(146)	(18,328)	(17,761)	(855)	(239)
Net trade receivables	4,853	4,342	28,519	32,571	16,696	21,241
Other receivables:						
- related entities	15,148	13,478	339,245	229,488	–	–
- third parties	1,379	1,963	3,007	1,516	4,386	3,479
	16,527	15,441	342,252	231,004	4,386	3,479
Rental deposits	368	529	149	148	517	677
	21,748	20,312	370,920	263,723	21,599	25,397
Prepayments	3,300	4,266	5,268	2,312	8,568	6,578
	25,048	24,578	376,188	266,035	30,167	31,975
Non-current	367	529	332,260	222,745	516	677
Current	24,681	24,049	43,928	43,290	29,651	31,298
	25,048	24,578	376,188	266,035	30,167	31,975

Related corporations refer to related corporations of the H-REIT Manager and the HBT Trustee-Manager. Related entities refer to H-REIT and its subsidiaries or HBT and its subsidiaries (as the case may be).

The H-REIT Group's properties, except Claymore Connect and Benson Yard, are leased to 14 (2024: 14) master lessees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 TRADE AND OTHER RECEIVABLES (CONT'D)

Other receivables from related entities comprise mainly loans amounting to \$332,111,000 (2024: \$222,596,000) which are unsecured, bear interest at rates ranging from 1.65% to 5.24% (2024: 3.74% to 6.12%) per annum and are repayable on 20 December 2034. The remaining receivables from related entities are unsecured, interest free and repayable on demand.

The exposure of the HBT Group, the H-REIT Group and the Stapled Group to credit risk and impairment losses for trade and other receivables is disclosed in Note 25.

8 CASH AND CASH EQUIVALENTS

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash at bank and in hand	19,574	21,713	51,311	45,516	70,885	67,229
Fixed deposits with financial institutions	2,251	–	13,925	11,059	16,176	11,059
Cash and cash equivalents in the statements of financial position	21,825	21,713	65,236	56,575	87,061	78,288
Restricted cash	–	–	(2,226)	(2,054)	(2,226)	(2,054)
Cash and cash equivalents in the statements of cash flows	21,825	21,713	63,010	54,521	84,835	76,234

9 LOANS AND BORROWINGS

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At amortised cost:						
Non-current						
Secured TMK bond	–	–	25,029	–	25,029	–
Secured bank loan	–	–	66,473	–	66,473	–
Unsecured bank loans	–	91,644	962,211	786,179	962,211	877,823
Lease liabilities	98,047	107,800	121,242	121,665	140,292	139,907
Loans from related entity	332,111	222,596	–	–	–	–
	430,158	422,040	1,174,955	907,844	1,194,005	1,017,730
Current						
Secured TMK bond	–	–	–	26,654	–	26,654
Secured bank loan	–	–	–	62,142	–	62,142
Unsecured bank loans	–	–	195,808	371,427	195,808	371,427
Lease liabilities	9,642	9,333	1,198	1,077	1,309	1,125
	9,642	9,333	197,006	461,300	197,117	461,348
	439,800	431,373	1,371,961	1,369,144	1,391,122	1,479,078

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 LOANS AND BORROWINGS (CONT'D)

Secured TMK bond

The TMK bond included in the H-REIT Group relates to a 5-year Japanese Yen denominated bond of \$25.5 million (JPY3.1 billion) (2024: \$26.8 million (JPY3.1 billion)) issued by H-REIT's indirectly-owned subsidiary, CDLHT Hanei Tokutei Mokuteki Kaisha. H-REIT's interest in its Japan hotels is held via a Tokutei Mokuteki Kaisha ("TMK") structure, and such TMK structure is required to issue a bond to fund the acquisition of assets.

The bondholders have a statutory preferred right, under Article 128 of the Japan Asset Liquidation Law, to receive payment of all obligations under the bond prior to other creditors out of the assets of the TMK. Such right shall be junior to the priority of the general statutory lien under the Japan Civil Code. While the assets of TMK are subject to a statutory preferred right, it is not considered a mortgage under Japan laws.

Secured bank loan

The secured bank loan relates to a 3-year fixed term loan of \$66.5 million (€44.0 million) (2024: 7-year fixed term loan of \$62.2 million (€44.0 million)) drawn down by H-REIT's indirectly-owned subsidiary, NKS Hospitality I B.V. ("NKS").

As at the reporting date, an investment property, Pullman Hotel Munich, with a carrying value of \$144.4 million (€95.5 million) (2024: \$147.7 million (€104.5 million)), and certain bank accounts in NKS, together with the Stapled Group's shares in NKS, representing a 94.9% equity interest in NKS, are pledged as security for bank facilities granted to NKS.

Unsecured bank loans

As at the end of the financial year, the Stapled Group has the following facilities and term loans:

Facilities partially drawn down or available for utilisation

- (i) \$350.0 million (2024: \$350.0 million) committed bilateral multi-currency unsecured revolving credit facilities for a 3-year term. As at the reporting date, \$280.9 million (2024: \$228.8 million) has been drawn down under these facilities and \$69.1 million (2024: \$121.2 million) of the facilities remained unutilised;
- (ii) \$100.0 million (2024: \$100.0 million) uncommitted multi-currency unsecured revolving credit facility. As at the reporting date, \$62.7 million (2024: \$68.3 million) has been drawn down under this facility and \$37.3 million (2024: \$31.7 million) of the facility remained unutilised; and
- (iii) \$400.0 million (2024: \$400.0 million) uncommitted multi-currency unsecured bridge loan facilities, with a maximum repayment period of one year. As at the reporting date, no amount (2024: \$105.2 million (of which \$20.0 million has been swapped to fixed rate with interest rate swaps)) has been drawn down under these floating rate facilities and \$400.0 million (2024: \$294.8 million) of the facilities remained unutilised.

Term loans fully drawn down

- (i) \$471.6 million (2024: \$273.6 million) floating rate term loans (of which \$438.0 million (2024: \$60.0 million) has been swapped to fixed rate with interest rate swaps);
- (ii) \$90.2 million (2024: \$90.2 million) floating rate term loan (swapped to Euro floating rate with a cross-currency swap (2024: swapped to Euro fixed rate with a cross-currency interest rate swap));
- (iii) \$53.8 million (€35.6 million) (2024: \$50.3 million (€35.6 million)) floating rate term loan;
- (iv) \$26.8 million (JPY3.3 billion) floating rate term loan (swapped to fixed rate with interest rate swap) (2024: \$28.2 million (JPY3.3 billion) fixed rate term loan);

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 LOANS AND BORROWINGS (CONT'D)

Unsecured bank loans (cont'd)

Term loans fully drawn down (cont'd)

- (v) \$30.3 million (£17.5 million) (2024: \$177.0 million (£104.0 million)) floating rate term loan(s);
- (vi) \$41.7 million (£24.1 million) (2024: \$41.0 million (£24.1 million)) floating rate term loan (swapped to fixed rate with an interest rate swap); and
- (vii) \$104.3 million (£60.2 million) (2024: \$102.6 million (£60.2 million)) floating rate term loan (swapped to fixed rate with interest rate swaps).

Lease liabilities

The lease liabilities recognised mainly relate to operating leases in respect of the HBT Group, the H-REIT Group and the Stapled Group's investment properties and property, plant and equipment.

Loans from related entity

As of 31 December 2025, the loans from related entity under the HBT Group are unsecured, bear interest at rates ranging from 1.65% to 5.24% per annum and are repayable on 20 December 2034. The loans from related entity includes interest payable of \$21.1 million, and the related entity confirmed that it would not demand for interest repayment within 12 months of the next financial year.

As of 31 December 2024, the loans from related entity under the HBT Group are unsecured, bear interest at rates ranging from 3.74% to 6.12% per annum and are repayable on 20 December 2034. The loans from related entity includes interest payable of \$13.3 million, and the related entity confirmed that it would not demand for interest repayment within 12 months of the next financial year.

Unsecured medium term notes

H-REIT's wholly-owned subsidiary, CDLHT MTN Pte. Ltd., has in place a \$1.0 billion (2024: \$1.0 billion) Multi-currency Medium Term Note Programme. As at 31 December 2025 and 31 December 2024, there were no outstanding notes.

Unsecured multi-currency debt issuance programme

On 5 November 2025, CDLHT launched a \$1.5 billion Multi-currency Debt Issuance Programme, under which H-REIT and/or HBT may from time to time issue fixed or floating medium term notes and perpetual securities with aggregate principal amounts of \$1.5 billion.

On 18 November 2025, H-REIT issued \$150.0 million of fixed rate perpetual securities under the Multi-currency Debt Issuance Programme, with the initial distribution rate of 3.70% per annum (Note 15). As at 31 December 2025, \$1.35 billion was available for issuance either as medium term notes or perpetual securities.

There were no medium term notes issued under the Multi-currency Debt Issuance Programme as at 31 December 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate %	Year of maturity	Face value \$'000	Carrying amount \$'000
As at 31 December 2025				
HBT Group				
Loans from related entity				
SGD	1.65 to 3.70	2034	134,453	134,453
GBP	1.65 to 5.24	2034	169,310	169,310
USD	4.68 to 5.01	2034	28,348	28,348
Lease liabilities				
SGD	1.79 to 3.44	2026 to 2040	43,785	35,381
USD	5.05	2033	30,830	25,430
GBP	3.99 to 4.04	2115 to 2147	81,676	19,008
AUD	2.45 to 2.74	2031	29,834	27,870
			518,236	439,800
H-REIT Group				
Secured TMK bond				
JPY	1.51	2030	25,451	25,029
Secured bank loan				
EUR	3.90	2028	66,526	66,473
Unsecured bank loans				
SGD	1.65 to 4.32	2026 to 2030	812,045	809,043
USD	5.01	2026	56,285	56,285
JPY	1.66	2030	26,847	26,698
GBP	2.42 to 5.22	2026 to 2029	213,407	212,372
EUR	2.75	2029	53,825	53,621
Lease liabilities				
SGD	3.41 to 5.44	2028 to 2105	163,306	58,406
USD	4.84 to 4.88	2096 to 2105	82,007	22,242
GBP	3.00	2218	241,301	41,792
			1,741,000	1,371,961
Stapled Group				
Secured TMK bond				
JPY	1.51	2030	25,451	25,029
Secured bank loan				
EUR	3.90	2028	66,526	66,473
Unsecured bank loans				
SGD	1.65 to 4.32	2026 to 2030	812,045	809,043
USD	5.01	2026	56,285	56,285
JPY	1.66	2030	26,847	26,698
GBP	2.42 to 5.22	2026 to 2029	213,407	212,372
EUR	2.75	2029	53,825	53,621
Lease liabilities				
SGD	1.79 to 5.44	2026 to 2105	163,462	58,559
USD	4.84 to 4.88	2096 to 2105	82,007	22,242
GBP	3.00 to 4.04	2115 to 2218	322,977	60,800
			1,822,832	1,391,122

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule (cont'd)

	Nominal interest rate %	Year of maturity	Face value \$'000	Carrying amount \$'000
As at 31 December 2024				
HBT Group				
Unsecured bank loan				
GBP	6.56	2026	91,930	91,644
Loans from related entity				
SGD	3.74 to 4.21	2034	39,746	39,746
GBP	3.74 to 6.12	2034	161,161	161,161
USD	5.54	2034	21,689	21,689
Lease liabilities				
SGD	1.79 to 4.83	2025 to 2040	46,667	37,159
USD	5.05	2033	36,685	29,559
GBP	3.99 to 4.04	2115 to 2147	78,864	18,253
AUD	2.45 to 2.74	2031	34,872	32,162
			511,614	431,373
H-REIT Group				
Secured TMK bond				
JPY	0.71	2025	26,753	26,654
Secured bank loan				
EUR	1.72	2025	62,150	62,142
Unsecured bank loans				
SGD	2.47 to 4.44	2025 to 2029	687,245	685,164
USD	5.54	2025	59,531	59,531
JPY	1.39	2025	28,220	28,188
GBP	2.42 to 5.94	2025 to 2029	264,638	263,286
EUR	3.46 to 4.22	2025 to 2029	121,698	121,437
Lease liabilities				
SGD	3.41 to 5.44	2028 to 2105	166,426	59,447
USD	4.84 to 4.88	2096 to 2105	87,910	23,557
GBP	3.00	2218	230,610	39,738
			1,735,181	1,369,144
Stapled Group				
Secured TMK bond				
JPY	0.71	2025	26,753	26,654
Secured bank loan				
EUR	1.72	2025	62,150	62,142
Unsecured bank loans				
SGD	2.47 to 4.44	2025 to 2029	687,245	685,164
USD	5.54	2025	59,531	59,531
JPY	1.39	2025	28,220	28,188
GBP	2.42 to 5.94	2025 to 2029	356,568	354,930
EUR	3.46 to 4.22	2025 to 2029	121,698	121,437
Lease liabilities				
SGD	1.79 to 5.44	2025 to 2105	166,464	59,485
USD	4.84 to 4.88	2096 to 2105	87,910	23,557
GBP	3.00 to 4.04	2115 to 2218	309,475	57,990
			1,906,014	1,479,078

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	HBT Group			H-REIT Group			Stapled Group		
	Loans and borrowings \$'000	Lease liabilities \$'000	Interest payables \$'000	Loans and borrowings \$'000	Lease liabilities \$'000	Interest payables \$'000	Loans and borrowings \$'000	Lease liabilities \$'000	Interest payables \$'000
Balance at 1 January 2025	314,240	117,133	429	1,246,402	122,742	2,893	1,338,046	141,032	3,322
Changes from financing cash flows									
Loans from related entity	100,327	-	-	-	-	-	-	-	-
Proceeds from bank loans	-	-	-	420,130	-	-	420,130	-	-
Proceeds from bond	-	-	-	27,280	-	-	27,280	-	-
Repayment of bank loans	(92,891)	-	-	(425,104)	-	-	(517,995)	-	-
Repayment of bond	-	-	-	(27,280)	-	-	(27,280)	-	-
Payment of transaction costs related to borrowings	-	-	-	(3,221)	-	-	(3,300)	-	-
Payment of lease liabilities	-	(9,250)	-	-	(1,072)	-	-	(1,159)	-
Finance costs paid	-	(3,996)	(5,471)	-	(4,406)	(40,955)	-	(5,160)	(46,426)
Total changes from financing cash flows	7,436	(13,246)	(5,471)	(8,195)	(5,478)	(40,955)	(101,165)	(6,319)	(46,426)
Effect of changes in foreign exchange rates	2,403	(836)	10	9,607	(597)	77	10,641	(282)	87
Other changes									
Liability-related									
Addition of lease liabilities	-	189	-	-	-	-	-	189	-
Remeasurement of lease liabilities	-	453	-	-	1,367	-	-	1,820	-
Amortisation of transaction costs	292	-	-	1,707	-	-	1,999	-	-
Interest expense	7,740	3,996	5,032	-	4,406	41,207	-	5,161	46,239
Total liability-related other changes	8,032	4,638	5,032	1,707	5,773	41,207	1,999	7,170	46,239
Balance at 31 December 2025	332,111	107,689	-	1,249,521	122,440	3,222	1,249,521	141,601	3,222

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities (cont'd)

	HBT Group			H-REIT Group			Stapled Group		
	Loans and borrowings	Lease liabilities	Interest payables	Loans and borrowings	Lease liabilities	Interest payables	Loans and borrowings	Lease liabilities	Interest payables
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2024	235,978	125,686	1,028	1,061,968	120,884	3,907	1,152,294	137,702	4,935
Changes from financing cash flows									
Loans from related entity	67,317	–	–	–	–	–	–	–	–
Proceeds from bank loans	–	–	–	736,307	–	–	736,307	–	–
Repayment of bank loans	–	–	–	(550,445)	–	–	(550,445)	–	–
Payment of transaction costs related to borrowings	(6)	–	–	(2,273)	–	–	(2,279)	–	–
Payment of lease liabilities	–	(8,832)	–	–	(957)	–	–	(1,099)	–
Finance costs paid	–	(4,339)	(7,334)	–	(4,429)	(44,331)	–	(5,152)	(51,666)
Total changes from financing cash flows	67,311	(13,171)	(7,334)	183,589	(5,386)	(44,331)	183,583	(6,251)	(51,666)
Effect of changes in foreign exchange rates	3,347	(1,124)	(1)	(1,313)	1,092	(17)	(136)	1,303	(17)
Other changes									
Liability-related									
Remeasurement of lease liabilities	–	1,445	–	–	1,723	–	–	3,168	–
Derecognition of lease liabilities	–	(42)	–	–	–	–	–	(42)	–
Amortisation of transaction costs	147	–	–	2,158	–	–	2,305	–	–
Interest expense capitalised	1,919	–	–	–	–	–	–	–	1,031
Interest expense	5,538	4,339	6,736	–	4,429	43,334	–	5,152	49,039
Total liability-related other changes	7,604	5,742	6,736	2,158	6,152	43,334	2,305	8,278	50,070
Balance at 31 December 2024	314,240	117,133	429	1,246,402	122,742	2,893	1,338,046	141,032	3,322

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 LOANS AND BORROWINGS (CONT'D)

Re-measurement of lease liabilities

During the financial year:

- (i) the lease payments for a leasehold land of the HBT Group have been revised; and
- (ii) the lease payments for a leasehold land of the H-REIT Group have been revised.

There were no other changes to the original terms and conditions of leases. The HBT Group, the H-REIT Group and the Stapled Group accounted these leases as lease modification that is not accounted for as a separate lease. The difference between the carrying amount of lease liabilities before the modification and the carrying amount of the modified lease liabilities of:

- (i) a \$453,000 (2024: \$1,445,000) increase for the HBT Group and the Stapled Group has been recognised as an adjustment to the ROU assets in property, plant and equipment;
- (ii) a \$189,000 (2024: nil) increase for the HBT Group and the Stapled Group has been recognised as additions to the ROU assets in property, plant and equipment; and
- (iii) a \$1,367,000 (2024: \$1,723,000) increase for the H-REIT Group and the Stapled Group has been recognised as an adjustment to the ROU assets in investment properties.

10 FINANCIAL DERIVATIVES

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current assets						
Interest rate swaps	–	–	6,414	8,065	6,414	8,065
Current assets						
Cross-currency swap	–	–	–	560	–	560
Forward exchange contracts	–	–	27	95	27	95
	–	–	27	655	27	655
Non-current liabilities						
Cross-currency swap	–	–	7,054	–	7,054	–
Interest rate swaps	–	–	843	548	843	548
	–	–	7,897	548	7,897	548
Current liabilities						
Interest rate swaps	–	–	1,698	179	1,698	179
Forward exchange contracts	–	–	87	–	87	–
	–	–	1,785	179	1,785	179

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 FINANCIAL DERIVATIVES (CONT'D)

Forward exchange contracts

The H-REIT Group uses forward foreign exchange contracts to manage its exposure to foreign currencies.

As at 31 December 2025, the H-REIT Group and the Stapled Group have forward exchange contracts with a total notional amounts of \$3.0 million (2024: \$3.3 million) respectively.

Cross-currency swaps

The H-REIT Group uses cross-currency swaps (including cross-currency interest rate swaps) to manage its exposure to foreign currency risk and interest rate risk associated with movements in foreign exchange rates and interest rates.

As at 31 December 2025, the H-REIT Group and the Stapled Group have a cross-currency swap with notional amount of:

- (i) \$90.2 million to swap \$90.2 million at floating rate to €64.0 million at floating rate.

As at 31 December 2024, the H-REIT Group and the Stapled Group have a cross-currency interest rate swap with notional amounts of:

- (i) \$90.2 million to swap \$90.2 million at floating rate to €64.0 million at fixed rate.

Interest rate swaps

The H-REIT Group uses interest rate swaps to manage its exposure to interest rate risk.

As at 31 December 2025, the H-REIT Group and the Stapled Group have interest rate swaps with notional amounts of:

- (i) \$146.0 million (£84.3 million) to swap floating rate to fixed rate;
- (ii) \$438.0 million to swap floating rate to fixed rate; and
- (iii) \$52.3 million (JPY6.4 billion) to swap floating rate to fixed rate.

As at 31 December 2024, the H-REIT Group and the Stapled Group have interest rate swaps with notional amounts of:

- (i) \$143.5 million (£84.3 million) to swap floating rate to fixed rate;
- (ii) \$80.0 million to swap floating rate to fixed rate; and
- (iii) \$55.0 million (JPY6.4 billion) to swap floating rate to fixed rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 TRADE AND OTHER PAYABLES

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade payables:						
- related corporations	–	–	66	58	66	58
- related entities	34,795	33,340	–	–	–	–
- third parties	5,622	6,764	5,690	2,143	11,312	8,907
	40,417	40,104	5,756	2,201	11,378	8,965
Other payables:						
- related corporations	–	–	–	48	–	48
- the H-REIT Manager	45	30	229	193	274	223
- the HBT Trustee-Manager	129	890	–	–	129	890
- related entities	7,134	6,892	15,148	13,478	–	–
- third parties	5,962	9,132	3,078	2,159	9,040	11,291
	13,270	16,944	18,455	15,878	9,443	12,452
Interest payable	–	429	3,222	2,893	3,222	3,322
Accruals	11,337	12,320	15,742	16,921	27,079	29,241
	11,337	12,749	18,964	19,814	30,301	32,563
Rental deposits:						
- related corporations	–	–	9,754	9,461	9,754	9,461
- third parties	5	34	2,452	2,529	2,457	2,563
	5	34	12,206	11,990	12,211	12,024
Deferred income	4,956	5,354	3,714	3,483	8,670	8,837
	69,985	75,185	59,095	53,366	72,003	74,841
Non-current	26	57	12,194	12,099	12,220	12,156
Current	69,959	75,128	46,901	41,267	59,783	62,685
	69,985	75,185	59,095	53,366	72,003	74,841

Related corporations refer to related corporations of the H-REIT Manager and the HBT Trustee-Manager. Related entities refer to H-REIT and its subsidiaries or HBT and its subsidiaries (as the case may be).

Outstanding payables to the related corporations, related entities, the H-REIT Manager and the HBT Trustee-Manager are unsecured, interest-free and repayable on demand.

Included in accruals of the H-REIT Group and the Stapled Group are the amounts payable to the H-REIT Trustee and the H-REIT Manager of \$84,000 (2024: \$77,000) and \$1,153,000 (2024: \$1,183,000) respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 TRADE AND OTHER PAYABLES (CONT'D)

For the HBT Group, deferred income includes advance lease income from its residential property of \$971,000 (2024: \$1,321,000) and advance consideration received from customers of hotel business of \$3,985,000 (2024: \$4,033,000). Deferred income from customers of hotel business is a contract liability under SFRS(I) 15 and is recognised as revenue when the HBT Group fulfils its performance obligation under the contract with the customer. Changes in the deferred income from customers of hotel business during the year are as follows:

HBT Group	
2025	2024
\$'000	\$'000
Revenue recognised that was included in deferred income at the beginning of the year	(4,033)
Increase due to cash received, excluding amounts recognised as revenue during the year	3,985

12 DEFERRED TAX

Recognised deferred tax assets and liabilities

Movement in deferred tax balances (prior to offsetting of balances) during the year are as follows:

	Balance as at 1/1/2024	Acquisition (Note 29)	Recognised in profit or loss (Note 21)	Recognised in other comprehensive income	Exchange differences	Balance as at 31/12/2024	Additions	Recognised in profit or loss (Note 21)	Recognised in other comprehensive income	Exchange differences	Balance as at 31/12/2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
HBT Group											
Deferred tax assets											
Tax losses carried forward	(1,962)	-	(404)	-	(20)	(2,386)	-	664	-	(31)	(1,753)
Lease liabilities	(6,658)	-	341	-	-	(6,317)	(32)	334	-	-	(6,015)
	(8,620)	-	(63)	-	(20)	(8,703)	(32)	998	-	(31)	(7,768)
Deferred tax liabilities											
Investment property	4,709	-	37	-	61	4,807	-	788	-	87	5,682
Property, plant and equipment (includes ROU assets)	27,076	1,019	(593)	1,401	256	29,159	32	183	(1,138)	394	28,630
	31,785	1,019	(556)	1,401	317	33,966	32	971	(1,138)	481	34,312
	23,165	1,019	(619)	1,401	297	25,263	-	1,969	(1,138)	450	26,544

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 DEFERRED TAX (CONT'D)

Recognised deferred tax assets and liabilities (cont'd)

	Balance as at 1/1/2024	Recognised in statement of total return (Note 21)	Recognised in unitholders' funds	Exchange differences	Balance as at 31/12/2024	Recognised in statement of total return (Note 21)	Recognised in unitholders' funds	Exchange differences	Balance as at 31/12/2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
H-REIT Group									
Deferred tax assets									
Tax losses carried forward	(751)	-	-	24	(727)	(569)	-	(66)	(1,362)
Deferred tax liabilities									
Investment properties	12,025	2,322	-	(252)	14,095	6,066	-	220	20,381
Property, plant and equipment	4,404	-	3,021	(317)	7,108	-	1,603	(343)	8,368
	16,429	2,322	3,021	(569)	21,203	6,066	1,603	(123)	28,749
	15,678	2,322	3,021	(545)	20,476	5,497	1,603	(189)	27,387

	Balance as at 1/1/2024	Acquisition (Note 29)	Recognised in statement of total return (Note 21)	Recognised in unitholders' funds	Exchange differences	Balance as at 31/12/2024	Additions	Recognised in statement of total return (Note 21)	Recognised in unitholders' funds	Exchange differences	Balance as at 31/12/2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Stapled Group											
Deferred tax assets											
Tax losses carried forward	(2,713)	-	(404)	-	4	(3,113)	-	95	-	(96)	(3,114)
Lease liabilities	(36)	-	30	-	-	(6)	(32)	12	-	-	(26)
	(2,749)	-	(374)	-	4	(3,119)	(32)	107	-	(96)	(3,140)
Deferred tax liabilities											
Investment properties	13,333	-	823	-	73	14,229	-	712	-	105	15,046
Property, plant and equipment (includes ROU assets)	31,095	1,019	857	4,422	(477)	36,916	32	4,268	465	231	41,912
	44,428	1,019	1,680	4,422	(404)	51,145	32	4,980	465	336	56,958
	41,679	1,019	1,306	4,422	(400)	48,026	-	5,087	465	240	53,818

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. The amounts, determined after appropriate offsetting, are as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Deferred tax assets	807	795	1,362	727	1,766	1,522
Deferred tax liabilities	(27,351)	(26,058)	(28,749)	(21,203)	(55,584)	(49,548)
	(26,544)	(25,263)	(27,387)	(20,476)	(53,818)	(48,026)

Under FRS 12/SFRS(I) 1-12 *Income Taxes*, deferred tax is not recognised for temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting or taxable profit or loss. As at 31 December 2025, the H-REIT Group and the Stapled Group have not recognised deferred tax liabilities of \$25.7 million (2024: \$26.2 million) relating to temporary differences on the initial recognition of assets and liabilities of the subsidiaries acquired.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 DEFERRED TAX (CONT'D)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the HBT Group, the H-REIT Group and the Stapled Group can utilise the benefits therefrom.

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Tax losses	33,353	22,198	17,522	22,161	50,875	44,359

Tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the subsidiaries operate. The tax losses under the Stapled Group of \$37,761,000 (2024: \$44,005,000) will expire between 2026 to 2030 (2024: 2025 to 2029). The remaining tax losses do not expire under current tax legislation.

13 NON-CONTROLLING INTERESTS

The following subsidiaries have non-controlling interests:

Name	Principal places of business/Country of incorporation	Operating Segment	Ownership interests held by NCI	
			2025	2024
			%	%
CDLHT CFM III B.V.	Netherlands	Italy	5.0	5.0
NKS Hospitality I B.V.	Netherlands	Germany	5.1	5.1
Munich Furniture B.V.	Netherlands	Germany	5.1	5.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 NON-CONTROLLING INTERESTS (CONT'D)

The following summarised financial information for the above subsidiaries is prepared in accordance with FRS, modified for fair value adjustments on acquisition and differences in the Stapled Group's accounting policies.

	H-REIT Group and Stapled Group			
	CDLHT CFM III B.V.	NKS Hospitality I B.V.	Munich Furniture B.V.	Total
	\$'000	\$'000	\$'000	\$'000
2025				
Revenue	3,571	8,371	1,021	12,963
(Loss)/Profit and total comprehensive income	(2,123)	(12,119)	1,331	(12,911)
Attributable to NCI:				
- (Loss)/Profit and total comprehensive income	(106)	(618)	68	(656)
Non-current assets	68,649	139,748	4,354	212,751
Current assets	13,871	13,453	2,317	29,641
Non-current liabilities	(18,909)	(66,473)	–	(85,382)
Current liabilities	(2,753)	(4,179)	(714)	(7,646)
Net assets	60,858	82,549	5,957	149,364
Net assets attributable to NCI	3,043	4,210	304	7,557
Cash flows from operating activities	130	243	59	
Cash flows from investing activities	(33)	(71)	(55)	
Cash flows from financing activities	–	(345)	(5)	
Net increase/(decrease) in cash and cash equivalents	97	(173)	(1)	
2024				
Revenue	5,412	9,789	1,003	16,204
Profit and total comprehensive income	6,622	3,989	860	11,471
Attributable to NCI:				
- Profit and total comprehensive income	331	203	44	578
Non-current assets	66,817	142,343	4,504	213,664
Current assets	10,876	19,292	3,221	33,389
Non-current liabilities	(16,862)	–	–	(16,862)
Current liabilities	(1,938)	(70,121)	(1,920)	(73,979)
Net assets	58,893	91,514	5,805	156,212
Net assets attributable to NCI	2,945	4,667	296	7,908
Cash flows from operating activities	223	464	87	
Cash flows from investing activities	(10)	(2)	(93)	
Cash flows from financing activities	–	(276)	–	
Net increase/(decrease) in cash and cash equivalents	213	186	(6)	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 UNITS/STAPLED SECURITIES IN ISSUE AND TO BE ISSUED

Units/Stapled Securities in issue and to be issued for the HBT Group, the H-REIT Group and the Stapled Group are as follows:

	2025 '000	2024 '000
Units/Stapled Securities in issue:		
At 1 January	1,256,857	1,245,832
Creation of Units/Stapled Securities:		
- H-REIT Manager's management fees paid in Stapled Securities	12,522	9,991
- HBT Trustee-Manager's management fees paid in Stapled Securities	1,391	1,034
At 31 December	1,270,770	1,256,857
Units/Stapled Securities to be issued:		
H-REIT Manager's management fees payable in Stapled Securities	6,928	6,740
HBT Trustee-Manager's management fees payable in Stapled Securities	799	609
At 31 December	7,727	7,349
Units/Stapled Securities, in issue and to be issued	1,278,497	1,264,206

Financial year ended 31 December 2025

- (i) During the financial year, the following Stapled Securities were issued:
- 12,521,903 Stapled Securities at unit prices ranging from \$0.7782 to \$0.8505 per Stapled Security, amounting to \$10,407,000, were issued as satisfaction of the H-REIT Manager's management fees payable in Stapled Securities; and
 - 1,391,225 Stapled Securities at unit prices ranging from \$0.7782 to \$0.8505 per Stapled Security, amounting to \$1,150,000, were issued as satisfaction of the HBT Trustee-Manager's management fees payable in Stapled Securities.
- (ii) 6,928,024 Stapled Securities at a unit price of \$0.8199 per Stapled Security, amounting to \$5,680,000, will be issued subsequent to year end as satisfaction of the H-REIT Manager's base fee for the period from 1 October 2025 to 31 December 2025 and performance fee for the financial year ended 31 December 2025.
- (iii) 798,812 Stapled Securities at a unit price of \$0.8199 per Stapled Security, amounting to \$655,000, will be issued subsequent to year end as satisfaction of the HBT Trustee-Manager's base fee for the period from 1 October 2025 to 31 December 2025 and performance fee for the financial year ended 31 December 2025.

Financial year ended 31 December 2024

- (i) During the financial year, the following Stapled Securities were issued:
- 9,991,504 Stapled Securities at unit prices ranging from \$0.9556 to \$1.0981 per Stapled Security, amounting to \$10,411,000, were issued as satisfaction of the H-REIT Manager's management fees payable in Stapled Securities; and
 - 1,033,978 Stapled Securities at unit prices ranging from \$0.9556 to \$1.0981 per Stapled Security, amounting to \$1,065,000, were issued as satisfaction of the HBT Trustee-Manager's management fees payable in Stapled Securities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 UNITS/STAPLED SECURITIES IN ISSUE AND TO BE ISSUED (CONT'D)

Financial year ended 31 December 2024 (cont'd)

- (ii) 6,739,779 Stapled Securities at a unit price of \$0.8505 per Stapled Security, amounting to \$5,732,000, were issued subsequent to year end as satisfaction of the H-REIT Manager's base fee for the period from 1 October 2024 to 31 December 2024 and performance fee for the financial year ended 31 December 2024.
- (iii) 608,638 Stapled Securities at a unit price of \$0.8505 per Stapled Security, amounting to \$518,000, were issued subsequent to year end as satisfaction of the HBT Trustee-Manager's base fee for the period from 1 October 2024 to 31 December 2024 and performance fee for the financial year ended 31 December 2024.

Capital management

The Boards of the H-REIT Manager and the HBT Trustee-Manager have a policy to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Boards monitor the yield of the property portfolio, which is defined as net property income from the property divided by the latest valuation for the property. The Boards also monitor the level of distributions made to holders of Stapled Securities.

The Boards seek to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

H-REIT is subject to the aggregate leverage limit as defined in the Property Funds Appendix of the CIS Code issued by the MAS. The CIS Code stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 50.0% of its Deposited Property.

The Aggregate Leverage of H-REIT as at 31 December 2025 was 38.3% (2024: 40.1%) of the H-REIT Group's Deposited Property which was within the limit described in the CIS code.

The HBT Group, the H-REIT Group and the Stapled Group are in compliance with the borrowing limit requirements imposed by the relevant Trust Deeds for the financial year ended 31 December 2025 and 31 December 2024. There were no substantial changes in the HBT Group's, the H-REIT Group's and the Stapled Group's approach to capital management during the year.

15 PERPETUAL SECURITIES

On 18 November 2025, H-REIT issued \$150.0 million of fixed rate perpetual securities under the Stapled Group's \$1.5 billion Multi-currency Debt Issuance Programme established on 5 November 2025. The perpetual securities carry an initial distribution rate of 3.70% per annum, with the first distribution rate reset falling on 18 November 2030 and subsequent resets occurring every five years thereafter. The proceeds were used to repay existing borrowings.

The perpetual securities have no fixed redemption date and redemption is at the option of H-REIT in accordance with the terms and conditions of the issue. Distributions are payable semi-annually at the discretion of H-REIT and are non-cumulative.

The perpetual securities constitute direct, unconditional, subordinated and unsecured obligations of H-REIT and shall at all times rank pari passu, without any preference or priority among themselves, and pari passu with any Parity Obligations (as defined in the terms and conditions of the perpetual securities) of H-REIT.

The perpetual securities are classified as equity instruments and recorded within the Statements of Movements in Unitholders' Funds, net of issue costs and include total return attributable to perpetual securities holders from issue date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16 NET ASSET VALUE PER UNIT/STAPLED SECURITY

	Note	HBT Group		H-REIT Group		Stapled Group	
		2025	2024	2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net asset value per Unit/ Stapled Security is based on:							
Net (liabilities)/assets attributable to holders of Stapled Securities		(10,405)	(7,995)	1,766,019	1,789,476	1,790,826	1,832,378
		'000	'000	'000	'000	'000	'000
Total issued and to be issued Units/Stapled Securities at 31 December	14	1,278,497	1,264,206	1,278,497	1,264,206	1,278,497	1,264,206

17 REVENUE

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from contract with customers:						
- Hotel revenue	144,663	142,689	–	–	144,708	142,689
Rental income						
- Fixed rent	9,192	1,918	79,543	73,301	77,177	63,405
- Variable rent	–	–	57,719	69,748	45,681	54,165
	153,855	144,607	137,262	143,049	267,566	260,259

Hotel revenue

Hotel revenue comprises mainly room and food and beverage and other hotel related services income.

Rental revenue

Under the terms of the lease agreements for the properties, the H-REIT Group and the HBT Group are generally entitled to a fixed rent component and/or a variable rent component computed based on a certain percentage of the revenue and/or gross operating profit.

Rental revenue for the H-REIT Group includes rental income from the HBT Group and related corporations of the H-REIT Manager of \$23,551,000 (2024: \$27,397,000) and \$73,617,000 (2024: \$78,630,000), respectively. Such revenue is attributable to the Maldives segment, New Zealand segment, Singapore segment, Japan segment and Australia segment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18 MANAGEMENT FEES

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
H-REIT Manager's management fee						
- Base fee	–	–	7,870	7,471	7,870	7,471
- Performance fee	–	–	5,074	5,255	5,074	5,255
	–	–	12,944	12,726	12,944	12,726
HBT Trustee-Manager's management fee						
- Base fee	1,060	952	–	–	1,060	952
- Performance fee	549	391	–	–	549	391
	1,609	1,343	–	–	1,609	1,343

H-REIT Manager's management fee

Included in the H-REIT Manager's fees is an aggregate of 12,710,148 (2024: 11,302,002) Stapled Securities, amounting to approximately \$10,355,000 (2024: \$10,181,000), that have been or will be issued to the H-REIT Manager as satisfaction of the H-REIT Manager's management fees payable in Stapled Securities, at unit prices ranging from \$0.7782 to \$0.8415 (2024: \$0.8505 to \$0.9916) per Stapled Security.

HBT Trustee-Manager's management fee

Included in the HBT Trustee-Manager's fees is an aggregate of 1,581,399 (2024: 1,179,755) Stapled Securities, amounting to approximately \$1,288,000 (2024: \$1,074,000), that have been or will be issued to the HBT Trustee-Manager as satisfaction of the HBT Trustee-Manager's management fees payable in Stapled Securities, at unit prices ranging from \$0.7782 to \$0.8415 (2024: \$0.8505 to \$0.9916) per Stapled Security.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19 FINANCE INCOME AND FINANCE COSTS

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Finance income						
Interest income under the effective interest method on:						
- cash and cash equivalents	98	98	215	224	313	322
- finance lease receivables	–	–	209	256	209	256
- loans to related entity	–	–	7,740	7,457	–	–
	98	98	8,164	7,937	522	578
Net foreign exchange gain	1,254	–	1,889	–	5,292	–
	1,352	98	10,053	7,937	5,814	578
Finance costs						
Financial liabilities measured at amortised cost:						
- interest expense on:						
- loans and borrowings	(5,032)	(6,736)	(41,207)	(43,334)	(46,239)	(49,039)
- lease liabilities	(3,996)	(4,339)	(4,406)	(4,429)	(5,161)	(5,152)
- loans from related entity	(7,740)	(5,538)	–	–	–	–
- amortisation of transaction costs on loans and borrowings	(292)	(147)	(1,707)	(2,158)	(1,999)	(2,305)
- financial expense arising from accretion of non-current rental deposits	–	–	(294)	(282)	(294)	(282)
	(17,060)	(16,760)	(47,614)	(50,203)	(53,693)	(56,778)
Fair value losses on financial derivatives designated at FVTPL	–	–	(17,180)	(5,023)	(17,180)	(5,023)
Net foreign exchange losses	–	(3,844)	–	(3,697)	–	(7,022)
	(17,060)	(20,604)	(64,794)	(58,923)	(70,873)	(68,823)
Net finance costs	(15,708)	(20,506)	(54,741)	(50,986)	(65,059)	(68,245)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20 (LOSS)/TOTAL RETURN BEFORE TAX

(Loss)/Total return before tax is arrived at after charging/(crediting) the following items:

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Audit fees paid to:						
- auditors of HBT/H-REIT and other firms affiliated with KPMG International Limited	421	461	509	638	930	1,099
- other auditors	373	287	180	129	553	416
Non-audit fees paid to:						
- auditors of HBT/H-REIT and other firms affiliated with KPMG International Limited	170	389	274	331	444	720
- other auditors	167	139	30	28	197	167
Employee benefit expenses:						
- salaries, bonuses and other costs	47,156	44,769	–	–	47,156	44,769
- contributions to defined contribution plans	3,465	2,475	–	–	3,465	2,475
	50,621	47,244	–	–	50,621	47,244
Less: Government grants received	(157)	(418)	–	–	(157)	(418)
	50,464	46,826	–	–	50,464	46,826
Impairment loss on trade and other receivables	740	43	1,584	7,494	889	43
Cost of inventories	14,902	13,985	–	–	14,902	13,985
Operating expenses arising from rental of investment properties	3,939	1,564	19,040	21,994	16,561	10,851

Employee benefit expenses above include staff-related costs reimbursed to operators of the respective hotels or resorts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21 TAX EXPENSE

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current tax (credit)/expense						
Current year	1,379	1,580	3,861	4,630	5,240	6,210
(Over)/Under provision in prior years	(2,516)	126	1,299	(2,979)	(1,217)	(2,853)
	(1,137)	1,706	5,160	1,651	4,023	3,357
Withholding tax	441	393	717	1,107	1,158	1,500
Deferred tax expense						
Origination and reversal of temporary differences (Note 12)	1,969	(619)	5,497	2,322	5,087	1,306
Tax expense	1,273	1,480	11,374	5,080	10,268	6,163
Reconciliation of effective tax rate						
(Loss)/Total return for the year before tax	(6,561)	(21,169)	31,344	42,113	(19,209)	21,106
Tax calculated using Singapore tax rate of 17%	(1,115)	(3,599)	5,328	7,159	(3,266)	3,588
Effect of tax in a foreign jurisdiction	790	(46)	2,948	190	824	144
Non-tax deductible items	4,986	5,932	12,154	10,709	25,154	16,641
Non-taxable items	(2,728)	(2,987)	(954)	(904)	(3,682)	(4,316)
Tax exempt income	(329)	(18)	(710)	(935)	(1,039)	(953)
Tax transparency	–	–	(8,802)	(9,599)	(8,802)	(9,599)
Current year tax losses for which no deferred tax asset was recognised	1,071	1,176	714	1,725	1,785	2,901
Change in unrecognised temporary differences	673	503	(1,320)	(1,393)	(647)	(890)
Withholding tax expense	441	393	717	1,107	1,158	1,500
(Over)/Under provision in prior years	(2,516)	126	1,299	(2,979)	(1,217)	(2,853)
	1,273	1,480	11,374	5,080	10,268	6,163

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22 (LOSS)/TOTAL RETURN FOR THE YEAR

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Comprises (loss)/total return of:						
- H-REIT	—	—	21,589	20,929	21,589	20,929
- Other H-REIT Group entities *	—	—	(1,619)	16,104	(1,619)	16,104
- HBT	(13,678)	(12,671)	—	—	(13,678)	(12,671)
- Other HBT Group entities *	5,844	(9,978)	—	—	5,844	(9,978)
- Stapled Group's consolidation adjustments	—	—	—	—	(41,613)	559
	(7,834)	(22,649)	19,970	37,033	(29,477)	14,943

* including consolidation adjustments

23 EARNINGS PER STAPLED SECURITY

Earnings per Stapled Security is based on:

	Stapled Group	
	2025	2024
	\$'000	\$'000
Total return for the year attributable to holders of Stapled Securities	(29,490)	14,365
	Number of Stapled Securities	
	2025	2024
	'000	'000
Weighted average number of Stapled Securities used in arriving at basic earnings per Stapled Security:		
- outstanding during the year	1,267,499	1,254,307
- to be issued as payment of H-REIT Manager's and/or HBT Trustee-Manager's management fees payable in Stapled Securities	10	10
	1,267,509	1,254,317

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23 EARNINGS PER STAPLED SECURITY (CONT'D)

	Number of Stapled Securities	
	2025	2024
	'000	'000
Weighted average number of Stapled Securities used in arriving at diluted earnings per Stapled Security:		
- weighted average number of Stapled Securities (basic)	1,267,509	1,254,317
- effect of H-REIT Manager's and/or HBT Trustee-Manager's management fees paid/payable in Stapled Securities	10,988	9,889
	1,278,497	1,264,206
	Stapled Group	
	2025	2024
Earnings per Stapled Security (cents)		
Basic	(2.33)	1.15
Diluted	(2.33) ⁽¹⁾	1.14

(1) As at 31 December 2025, stapled securities issued/to be issued in respect of management fees paid or payable were excluded from the diluted weighted average number of Stapled Securities as their effect would have been anti-dilutive.

24 OPERATING SEGMENTS

In 2025, the HBT Group, the H-REIT Group and the Stapled Group have 5, 8 and 8 (2024: 5, 8 and 8) reportable segments, respectively, as described below. All the segments relate to properties operated as hotels, resorts and/or residential apartments. Each segment is managed separately because of the differences in operating and regulatory environment. The Board of Directors ("BOD") of the HBT Trustee-Manager and the H-REIT Manager review the internal management reports for the segments at least quarterly.

The number of properties included in each reportable segment is set out below:

	Number of properties					
	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
Reportable segment						
Singapore	1	1	6	6	6	6
New Zealand	–	–	1	1	1	1
Australia	2	2	2	2	2	2
Germany	–	–	1	1	1	1
Italy	–	–	1	1	1	1
Maldives	1	1	2	2	2	2
Japan	2	2	2	2	2	2
United Kingdom ("UK")	4	4	2	2	6	6

Other operations of the H-REIT Group and the Stapled Group include Claymore Connect which is leased to individual tenants and is operated as a retail space.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information regarding the results of each reportable segment is included below. Performance is measured based on segment net property income, as included in the internal management reports that are reviewed by the BOD of the HBT Trustee-Manager or the H-REIT Manager. Segment net property income is used to measure performance as the HBT Trustee-Manager or the H-REIT Manager believes that such information is the most relevant in evaluating the results of the segments relative to other entities that operate within the same industry.

Information about reportable segments

	Singapore	Australia	Maldives	Japan	UK	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
HBT Group						
2025						
Hotel revenue	49,087	24,442	9,275	9,677	52,182	144,663
Rental revenue	–	–	–	–	9,192	9,192
Revenue – external	49,087	24,442	9,275	9,677	61,374	153,855
Reportable segment net property income/(loss)	2,870	6,221	(2,789)	23	15,509	21,834
Depreciation of property, plant and equipment	(2,315)	(3,957)	(2,759)	–	(7,370)	(16,401)
Fair value gain on investment property	–	–	–	–	9,458	9,458
Revaluation deficit on property, plant and equipment	–	–	–	–	(704)	(704)
Unallocated items:						
- HBT Trustee-Manager's management fee						(1,609)
- HBT Trustee-Manager's trustee fee						(424)
- Valuation fee						(79)
- Other expenses						(2,928)
- Finance income						1,352
- Finance costs						(17,060)
- Tax expense						(1,273)
Loss for the year						(7,834)
Other material non-cash items						
Impairment loss on trade and other receivables	(3)	(3)	–	–	(734)	(740)
Reportable segment assets						
Capital expenditure on investment properties and property, plant and equipment	–	–	–	–	2,770	2,770
Non-current assets [^]	32,744	21,544	21,691	–	402,050	478,029

[^] Excluding deferred tax assets and other receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore \$'000	Australia \$'000	Maldives \$'000	Japan \$'000	UK \$'000	Total \$'000
HBT Group						
2024						
Hotel revenue – external	54,729	21,756	11,660	8,982	45,562	142,689
Rental revenue	–	–	–	–	1,918	1,918
Revenue – external	54,729	21,756	11,660	8,982	47,480	144,607
Reportable segment net property income/(loss)	3,322	5,591	(897)	11	10,737	18,764
Depreciation of property, plant and equipment	(2,368)	(4,143)	(2,819)	–	(7,098)	(16,428)
Fair value loss on investment property	–	–	–	–	(574)	(574)
Reversal of revaluation deficit on property, plant and equipment	–	–	–	–	1,819	1,819
HBT Trustee-Manager's acquisition fee	–	–	–	–	(334)	(334)
Gain from a bargain purchase	–	–	–	–	3,035	3,035
Unallocated items:						
- HBT Trustee-Manager's management fee						(1,343)
- HBT Trustee-Manager's trustee fee						(381)
- Valuation fee						(46)
- Other expenses						(5,175)
- Finance income						98
- Finance costs						(20,604)
- Tax expense						(1,480)
Loss for the year						(22,649)
Reportable segment assets						
Capital expenditure on investment properties and property, plant and equipment	–	–	–	–	25,672	25,672
Non-current assets [^]	34,869	25,182	25,808	–	391,465	477,324

[^] Excluding deferred tax assets and other receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore \$'000	New Zealand \$'000	Australia \$'000	Germany \$'000	Maldives \$'000	Japan \$'000	Italy \$'000	UK \$'000	Total reportable segments \$'000	Others \$'000	Total \$'000
H-REIT Group											
2025											
Rental revenue	78,705	4,074	5,442	9,392	11,775	5,068	3,571	10,847	128,874	8,388	137,262
Reportable segment net property income	70,648	4,074	4,040	7,321	9,123	4,784	3,294	8,194	111,478	6,460	117,938
Depreciation of property, plant and equipment	–	–	–	–	(415)	(1,168)	–	–	(1,583)	–	(1,583)
Net fair value (loss)/gain on investment properties	(19,169)	4,442	19,728	(14,986)	(3,740)	–	(3,094)	3,550	(13,269)	(75)	(13,344)
Unallocated items:											
- H-REIT Manager's management fee											(12,944)
- H-REIT Trustee's fee											(479)
- Valuation fee											(149)
- Other expenses											(3,354)
- Finance income											10,053
- Finance costs											(64,794)
- Tax expense											(11,374)
Total return for the year											19,970
Other material non-cash items											
(Impairment loss)/Reversal of impairment loss on trade receivables	–	–	–	–	(1,436)	–	–	(238)	(1,674)	90	(1,584)
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	19,614	8,415	3,502	2,373	5,107	70	630	167	39,878	–	39,878
Non-current assets [^]	1,952,470	175,804	93,805	144,391	146,618	85,138	69,399	158,842	2,826,467	120,000	2,946,467

[^] Excluding deferred tax assets, financial derivative assets, finance lease receivables and other receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore	New Zealand	Australia	Germany	Maldives	Japan	Italy	UK	Total reportable segments	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
H-REIT Group											
2024											
Rental revenue	87,241	5,220	4,805	10,792	12,029	4,750	5,412	4,673	134,922	8,127	143,049
Reportable segment net property income	78,667	5,220	3,534	9,706	3,305	4,475	5,147	4,605	114,659	6,122	120,781
Depreciation of property, plant and equipment	-	-	-	-	(414)	(1,390)	-	-	(1,804)	-	(1,804)
Net fair value (loss)/gain on investment properties	(16,771)	(5,078)	4,887	(3,333)	(2,002)	-	2,868	(300)	(19,729)	9,991	(9,738)
Unallocated items:											
- H-REIT Manager's management fee											(12,726)
- H-REIT Trustee's fee											(448)
- Valuation fee											(188)
- Other expenses											(2,778)
- Finance income											7,937
- Finance costs											(58,923)
- Tax expense											(5,080)
Total return for the year											<u>37,033</u>
Other material non-cash items											
Impairment loss on trade receivables	-	-	-	-	(7,494)	-	-	-	(7,494)	-	(7,494)
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	14,655	11,524	7,519	1,902	2,574	13	207	-	38,394	-	38,394
Non-current assets ^	1,952,100	167,907	69,886	147,663	154,086	80,949	67,518	151,144	2,791,253	120,000	2,911,253

^ Excluding deferred tax assets, financial derivative assets, finance lease receivables and other receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore	New Zealand	Australia	Germany	Maldives	Japan	Italy	UK	Total reportable segments	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Stapled Group											
2025											
Rental revenue	69,544	4,074	-	9,392	7,850	-	3,571	20,039	114,470	8,388	122,858
Hotel revenue	49,087	-	24,487	-	9,275	9,677	-	52,182	144,708	-	144,708
Revenue – external	118,631	4,074	24,487	9,392	17,125	9,677	3,571	72,221	259,178	8,388	267,566
Reportable segment net property income	70,518	4,074	5,672	7,321	3,845	4,807	3,294	23,703	123,234	6,460	129,694
Depreciation of property, plant and equipment	(10,445)	-	(2,696)	-	(3,620)	(1,168)	-	(7,370)	(25,299)	-	(25,299)
Net fair value (loss)/gain on investment properties	(24,368)	4,442	-	(14,986)	(3,405)	-	(3,094)	13,008	(28,403)	(75)	(28,478)
Revaluation deficit on property, plant and equipment	(408)	-	-	-	(7,020)	-	-	(704)	(8,132)	-	(8,132)
Unallocated items:											
- H-REIT Manager's management fee											(12,944)
- H-REIT Trustee's fee											(479)
- HBT Trustee-Manager's management fee											(1,609)
- HBT Trustee-Manager's trustee fee											(424)
- Valuation fee											(228)
- Other expenses											(6,251)
- Finance income											5,814
- Finance costs											(70,873)
- Tax expense											(10,268)
Total return for the year											<u>(29,477)</u>
Other material non-cash items											
(Impairment loss)/Reversal of impairment loss on trade and other receivables	(3)	-	(3)	-	-	-	-	(973)	(979)	90	(889)
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	19,645	8,415	3,502	2,373	5,107	70	630	2,937	42,679	-	42,679
Non-current assets ^	1,958,622	175,804	92,084	144,391	146,618	85,138	69,399	560,892	3,232,948	120,000	3,352,948

^ Excluding deferred tax assets, financial derivative assets, finance lease receivables and other receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Singapore	New Zealand	Australia	Germany	Maldives	Japan	Italy	UK	Total reportable segments	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Stapled Group											
2024											
Rental revenue	73,409	5,220	–	10,792	8,020	–	5,412	6,590	109,443	8,127	117,570
Hotel revenue	54,729	–	21,756	–	11,660	8,982	–	45,562	142,689	–	142,689
Revenue – external	128,138	5,220	21,756	10,792	19,680	8,982	5,412	52,152	252,132	8,127	260,259
Reportable segment net property income	78,990	5,220	4,319	9,706	5,892	4,486	5,147	15,341	129,101	6,122	135,223
Depreciation of property, plant and equipment	(8,362)	–	(2,252)	–	(3,475)	(1,390)	–	(7,097)	(22,576)	–	(22,576)
Net fair value gain/(loss) on investment properties	2,588	(5,078)	–	(3,332)	(1,280)	–	2,869	13	(4,220)	9,991	5,771
(Revaluation deficit)/Reversal of revaluation deficit on property, plant and equipment	(13,215)	–	709	–	1,998	–	–	1,819	(8,689)	–	(8,689)
HBT Trustee-Manager's acquisition fee	–	–	–	–	–	–	–	(334)	(334)	–	(334)
Gain from a bargain purchase	–	–	–	–	–	–	–	3,035	3,035	–	3,035
Unallocated items:											
- H-REIT Manager's management fee											(12,726)
- H-REIT Trustee's fee											(448)
- HBT Trustee-Manager's management fee											(1,343)
- HBT Trustee-Manager's trustee fee											(381)
- Valuation fee											(234)
- Other expenses											(7,947)
- Finance income											578
- Finance costs											(68,823)
- Tax expense											(6,163)
Total return for the year											14,943
Reportable segment assets											
Capital expenditure on investment properties and property, plant and equipment	14,656	11,524	7,519	1,902	2,575	13	207	24,784	63,180	–	63,180
Non-current assets ^	1,956,137	167,907	77,510	147,663	164,956	80,949	67,518	542,610	3,205,250	120,000	3,325,250

^ Excluding deferred tax assets, financial derivative assets, finance lease receivables and other receivables.

Major customers

The H-REIT Group's properties, except Claymore Connect and Benson Yard, are leased to 14 (2024: 14) master lessees. Such master lessees include subsidiaries of Millennium & Copthorne Hotels Limited, a related corporation, which accounted for \$73,617,000 (2024: \$78,630,000) or 54% (2024: 55%) of the revenue of the H-REIT Group, as well as two third parties which accounted for approximately \$12,014,000 (2024: \$15,081,000) or 8.8% (2024: 10.5%) of the revenue of the H-REIT Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS

Financial risk management

Overview

The Stapled Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the exposure of the HBT Group, the H-REIT Group and the Stapled Group to each of the above risks, their objectives, policies and procedures for measuring and managing risk, and their management of capital.

Risk management framework

Risk management is integral to the whole business of the Stapled Group. The Stapled Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The HBT Trustee-Manager and the H-REIT Manager continually monitor the Stapled Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Stapled Group's activities.

The Audit and Risk Committees of the H-REIT Manager and the HBT Trustee-Manager assist the H-REIT Manager's and the HBT Trustee-Manager's Boards in reviewing the effectiveness of the Stapled Group's material internal controls, including those relating to financial, operational and compliance.

In addition, the Audit and Risk Committees of the H-REIT Manager and the HBT Trustee-Manager assist the H-REIT Manager's and the HBT Trustee-Manager's Boards in discharging its duties with respect to maintaining an effective control environment that reflects both the established risk appetite and the business objectives of the Stapled Group. The Audit and Risk Committees oversee how management monitors compliance with the Stapled Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Stapled Group.

(i) Credit risk

Credit risk is the risk of financial loss resulting from the failure of a customer or counterparty to a financial instrument to settle its financial and contractual obligations to the Stapled Group, as and when they fall due.

The carrying value of financial assets in the statements of financial position represents maximum exposure of the Stapled Group of credit risk, before taking into account any collateral held. The Stapled Group limits its exposure to credit risk from trade receivables by collecting security deposits as collateral, where possible.

Trade and other receivables

Credit evaluations are performed before lease agreements are entered into with tenants. Rental deposits are received, where appropriate, to reduce credit risk. In addition, the balances due from lessees and tenants are being monitored on an on-going basis.

The hotel/resort operators which manage the hotels under the HBT Group perform credit evaluations on customers before accepting them and monitor their balances on an on-going basis.

At 31 December 2025 and 31 December 2024, the trade receivables from related corporations and/or related entities arising from the master lease arrangements for certain hotel properties represent a significant portion of the H-REIT Group's and the Stapled Group's receivables (Note 7). Except as disclosed, there was no significant concentration of credit risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(i) Credit risk (cont'd)

Trade and other receivables (cont'd)

Exposure to credit risk

Expected credit loss assessment for individual lessees and customers

The Stapled Group uses an allowance matrix to measure the ECLs of trade receivables.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments (geographic region) based on actual credit loss experience over the past four years. These rates are adjusted by scalar factors to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Stapled Group's view of economic conditions over the expected lives of the receivables.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2025 and 31 December 2024:

	2025		2024	
	Gross carrying amount \$'000	Impairment loss allowance \$'000	Gross carrying amount \$'000	Impairment loss allowance \$'000
HBT Group				
Not past due	3,720	(6)	3,243	–
Past due 31 – 60 days	583	(4)	675	–
Past due 61 – 90 days	192	(1)	236	–
Past due over 90 days	1,004	(635)	334	(146)
	5,499	(646)	4,488	(146)
Not credit-impaired	5,499	(646)	4,488	(146)
	5,499	(646)	4,488	(146)
H-REIT Group				
Not past due	26,580	(45)	32,446	–
Past due 31 – 60 days	109	(32)	67	–
Past due 61 – 90 days	80	(27)	–	–
Past due over 90 days	20,078	(18,224)	17,819	(17,761)
	46,847	(18,328)	50,332	(17,761)
Credit-impaired	18,118	(18,118)	17,668	(17,668)
Not credit-impaired	28,729	(210)	32,664	(93)
	46,847	(18,328)	50,332	(17,761)
Stapled Group				
Not past due	13,623	(51)	20,017	–
Past due 31 – 60 days	692	(36)	742	–
Past due 61 – 90 days	272	(28)	236	–
Past due over 90 days	2,964	(740)	485	(239)
	17,551	(855)	21,480	(239)
Not credit-impaired	17,551	(855)	21,480	(239)
	17,551	(855)	21,480	(239)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(i) Credit risk (cont'd)

Trade and other receivables (cont'd)

Exposure to credit risk (cont'd)

Movement in allowance for impairment in respect of trade and other receivables

The movement in the allowance for impairment losses in respect of trade and other receivables during the year is as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 January	146	106	17,761	9,887	239	199
Impairment loss recognised	740	43	1,584	7,494	889	43
Amounts written off	(244)	–	(33)	–	(277)	–
Amounts reversed	(2)	(5)	–	–	(2)	(5)
Translation differences	6	2	(984)	380	6	2
At 31 December	646	146	18,328	17,761	855	239

The Stapled Group establishes allowances for impairment that represents its estimate of the expected credit loss and specific loss component in respect of trade and other receivables.

The allowance account in respect of trade and other receivables is used to record impairment losses unless the Stapled Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and cash equivalents

Cash and fixed deposits are placed with financial institutions which are regulated. Investments and transactions are allowed only with counterparties who have sound credit ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Stapled Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Derivatives

Derivatives are only entered into with banks and financial institution counterparties with sound credit ratings. Details of the derivatives held by the H-REIT Group and the Stapled Group are set out in Note 10.

(ii) Liquidity risk

Liquidity risk is the risk that the Stapled Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The HBT Trustee-Manager and the H-REIT Manager monitor their liquidity risk and maintain a level of cash and cash equivalents deemed adequate to finance the HBT Group's and the H-REIT Group's operations and to mitigate the effects of fluctuations in cash flows. The H-REIT Manager also monitors and observes the CIS Code issued by the MAS concerning limits on total borrowings. As at the reporting date, the H-REIT Group maintains several lines of credit (Note 9).

The Stapled Group has contractual commitments to incur capital expenditure (Note 26).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(ii) Liquidity risk (cont'd)

The following are the material contractual undiscounted cash inflows/(outflows) of financial liabilities, including estimated interest payments:

			Cash flows		
	Carrying amount	Contractual cash flows	Within 1 year	Between 1 to 5 years	More than 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000
HBT Group					
2025					
Non-derivative financial liabilities					
Loans from related entity	332,111	(422,767)	(33,966)	(45,729)	(343,072)
Lease liabilities	107,689	(186,125)	(13,321)	(52,943)	(119,861)
Trade and other payables ^	65,029	(65,029)	(65,029)	–	–
	504,829	(673,921)	(112,316)	(98,672)	(462,933)
2024					
Non-derivative financial liabilities					
Unsecured bank loan	91,644	(103,557)	(6,029)	(97,528)	–
Loans from related entity	222,596	(306,018)	(24,439)	(38,126)	(243,453)
Lease liabilities	117,133	(197,089)	(13,361)	(53,303)	(130,425)
Trade and other payables ^	69,831	(69,831)	(69,831)	–	–
	501,204	(676,495)	(113,660)	(188,957)	(373,878)
H-REIT Group					
2025					
Non-derivative financial liabilities					
Secured TMK bond	25,029	(27,263)	(384)	(26,879)	–
Secured bank loan	66,473	(72,383)	(2,595)	(69,788)	–
Unsecured bank loans	1,158,019	(1,243,195)	(225,047)	(1,018,148)	–
Lease liabilities	122,440	(486,614)	(5,547)	(19,990)	(461,077)
Trade and other payables ^	55,381	(55,575)	(52,337)	(1,638)	(1,600)
	1,427,342	(1,885,030)	(285,910)	(1,136,443)	(462,677)
2024					
Non-derivative financial liabilities					
Secured TMK bond	26,654	(26,889)	(26,889)	–	–
Secured bank loan	62,142	(62,425)	(62,425)	–	–
Unsecured bank loans	1,157,606	(1,270,657)	(409,564)	(861,093)	–
Lease liabilities	122,742	(484,946)	(5,485)	(21,183)	(458,278)
Trade and other payables ^	49,883	(50,389)	(38,716)	(10,073)	(1,600)
	1,419,027	(1,895,306)	(543,079)	(892,349)	(459,878)

^ Excluding deferred income

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(ii) Liquidity risk (cont'd)

			Cash flows		
	Carrying amount \$'000	Contractual cash flows \$'000	Within 1 year \$'000	Between 1 to 5 years \$'000	More than 5 years \$'000
Stapled Group					
2025					
Non-derivative financial liabilities					
Secured TMK bond	25,029	(27,263)	(384)	(26,879)	–
Secured bank loan	66,473	(72,383)	(2,595)	(69,788)	–
Unsecured bank loans	1,158,019	(1,243,195)	(225,047)	(1,018,148)	–
Lease liabilities	141,601	(568,446)	(6,421)	(23,143)	(538,882)
Trade and other payables ^	63,333	(63,528)	(60,290)	(1,638)	(1,600)
	1,454,455	(1,974,815)	(294,737)	(1,139,596)	(540,482)
2024					
Non-derivative financial liabilities					
Secured TMK bond	26,654	(26,889)	(26,889)	–	–
Secured bank loan	62,142	(62,425)	(62,425)	–	–
Unsecured bank loans	1,249,250	(1,374,214)	(415,593)	(958,621)	–
Lease liabilities	141,032	(563,849)	(6,264)	(24,157)	(533,428)
Trade and other payables ^	66,004	(66,510)	(54,837)	(10,073)	(1,600)
	1,545,082	(2,093,887)	(566,008)	(992,851)	(535,028)

^ Excluding deferred income

The maturity analyses show the material contractual undiscounted cash flows of the Stapled Group’s financial liabilities on the basis of their earliest possible contractual maturity. The cash inflows/(outflows) disclosed relate to these instruments held for risk management purposes and which are usually not closed out prior to contractual maturity.

The interest payments on floating rate loans and borrowings in the table above reflect market forward interest rates at the period end and these amounts may change as market interest rates changes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the HBT Group's profit or loss and the H-REIT Group's and the Stapled Group's total return. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

The H-REIT Manager's and the HBT Trustee-Manager's strategy to manage the risk of potential interest rate volatility is through the use of interest rate hedging instruments and/or fixed rate borrowings. The H-REIT Manager and the HBT Trustee-Manager will regularly evaluate the feasibility of putting in place the appropriate level of interest rate hedges, after taking into account the prevailing market conditions.

Derivative financial instruments are used to manage exposures to interest rate risks arising from financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Exposure to interest rate risk

The Stapled Group's exposure to changes in interest rates relates primarily to interest-earning financial assets and interest-bearing financial liabilities. At the end of the financial year, the interest rate profile of the interest-bearing financial instruments based on their nominal amounts was as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Fixed rate instruments						
Financial assets	5,460	3,605	40,833	39,431	46,294	43,036
Financial liabilities	(186,125)	(197,088)	(553,140)	(547,096)	(634,972)	(625,999)
Effect of interest rate swaps	–	–	(636,218)	(278,485)	(636,218)	(278,485)
Effect of cross-currency swap	–	–	–	(90,240)	–	(90,240)
	(180,665)	(193,483)	(1,148,525)	(876,390)	(1,224,896)	(951,688)
Variable rate instruments						
Financial liabilities	(332,111)	(314,526)	(1,187,860)	(1,188,085)	(1,187,860)	(1,280,015)
Effect of interest rate swaps	–	–	636,218	278,485	636,218	278,485
Effect of cross-currency swap	–	–	–	90,240	–	90,240
	(332,111)	(314,526)	(551,642)	(819,360)	(551,642)	(911,290)

Fair value sensitivity analysis for fixed rate instruments

The Stapled Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the financial year would not affect total return.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Interest rate risk (cont'd)

Fair value sensitivity analysis for fixed rate instruments (cont'd)

A change of 100 basis points (bp) in interest rate at the end of the financial year would increase/(decrease) profit or loss (before any tax effects) of the HBT Group and total return (before any tax effects) of the H-REIT Group and the Stapled Group, by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Profit or loss	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	2025	2025	2024	2024
	\$'000	\$'000	\$'000	\$'000
HBT Group				
Variable rate instruments				
Loans and borrowings	(3,321)	3,321	(3,145)	3,145
H-REIT Group				
Variable rate instruments				
Loans and borrowings	(11,879)	11,879	(11,881)	11,881
Interest rate swaps	6,362	(6,362)	2,785	(2,785)
Cross-currency swap	–	–	902	(902)
Cash flow sensitivity (net)	(5,517)	5,517	(8,194)	8,194
Stapled Group				
Variable rate instruments				
Loans and borrowings	(11,879)	11,879	(12,800)	12,800
Interest rate swaps	6,362	(6,362)	2,785	(2,785)
Cross-currency swap	–	–	902	(902)
Cash flow sensitivity (net)	(5,517)	5,517	(9,113)	9,113

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Foreign currency risk

The Stapled Group has exposure to foreign currency risk as a result of its operations in several countries. The currencies giving rise to this risk are the Australian Dollar, New Zealand Dollar, Euro, United States Dollar, Japanese Yen and Sterling Pound.

In order to manage the foreign currency risk, the H-REIT Manager and the HBT Trustee-Manager adopt foreign currency risk management strategies that may include:

- entering into forward foreign exchange contracts to hedge the foreign currency income from the overseas assets as a natural hedge;
- the use of certain foreign currency denominated borrowings to match the capital values of the overseas assets as a natural hedge, whenever possible; and
- the use of certain foreign currency denominated borrowings to hedge against the currency risk arising from the Stapled Group's net investments in certain subsidiaries in Australia, Germany, Japan, Maldives and United Kingdom. These borrowings are designated as net investment hedges.

Hedge accounting – Net investment hedges

At the end of the financial year, the HBT Group, the H-REIT Group and the Stapled Group have designated certain of their loans, with carrying amounts of \$139.1 million (2024: \$185.3 million), \$124.9 million (2024: \$69.2 million) and \$296.5 million (2024: \$333.7 million) respectively as net investment hedges, which mitigate the currency risk arising from certain subsidiaries' net assets. The cumulative net foreign exchange differences in respect of the Australia, Germany, Japan, Maldives and United Kingdom net investment hedges which remained in the unitholders' funds are as follows:

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net foreign exchange gain	2,580	5,647	11,506	7,587	16,241	17,537

To assess hedge effectiveness, the HBT Group, the H-REIT Group and the Stapled Group determine the economic relationship between the hedge instrument and the hedge item by comparing changes in the carrying amount of debt that is attributable to a change in the spot rate with changes in the investment in the foreign operation due to movement in the spot rate (the offset method). The HBT Group, the H-REIT Group and the Stapled Group's policy is to hedge the net investment only to the extent of debt principal.

During the financial year, the HBT Group, the H-REIT Group and the Stapled Group have recognised net foreign exchange differences in OCI or unitholders' funds (as the case may be) in respect of bank loans which were used as hedges for net investments in Japan, Maldives and United Kingdom:

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net foreign exchange (loss)/gain	(3,067)	534	3,919	315	(1,296)	328

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Foreign currency risk (cont'd)

The exposure of the HBT Group, the H-REIT Group and the Stapled Group to foreign currencies is as follows based on notional amounts:

	United States Dollar		Japanese Yen		Sterling Pound	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
HBT Group						
Trade and other receivables	6,816	8	21	22	42,546	39,141
Cash and cash equivalents	–	–	–	–	2,533	1,865
Trade and other payables	–	–	–	–	–	(440)
Bank loans	–	–	–	–	–	(91,930)
Loans from related entity	(28,348)	(21,689)	–	–	(169,311)	(160,898)
Net exposure	(21,532)	(21,681)	21	22	(124,232)	(212,262)

	Australian Dollar		New Zealand Dollar		Euro		United States Dollar		Japanese Yen		Sterling Pound	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
H-REIT Group												
Trade and other receivables	15,612	11,365	25,722	16,954	14,477	17,016	94,744	87,742	–	–	201,615	162,156
Cash and cash equivalents	2,164	987	125	127	44	18	217	1,319	1,613	1,972	551	2,664
Trade and other payables	(614)	(604)	(257)	(264)	(323)	(426)	(1,335)	(1,732)	(21)	(27)	(593)	(2,698)
Bank loans	–	–	–	–	(53,825)	(121,698)	(56,285)	(59,531)	(26,847)	(28,220)	(213,407)	(264,638)
Net statements of financial position exposure	17,162	11,748	25,590	16,817	(39,627)	(105,090)	37,341	27,798	(25,255)	(26,275)	(11,834)	(102,516)
Foreign currency forward contracts	(2,321)	(1,481)	–	(1,804)	–	–	(634)	–	(471)	–	–	–
Cross-currency swap	–	–	–	–	(96,765)	(90,400)	–	–	–	–	–	–
Net exposure	14,841	10,267	25,590	15,013	(136,392)	(195,490)	36,707	27,798	(25,726)	(26,275)	(11,834)	(102,516)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Foreign currency risk (cont'd)

	Australian Dollar		New Zealand Dollar		Euro		United States Dollar		Japanese Yen		Sterling Pound	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Stapled Group												
Trade and other receivables	15,612	11,365	25,722	16,954	14,477	17,016	73,212	66,061	21	22	74,850	40,399
Cash and cash equivalents	2,164	987	125	127	44	18	217	1,319	1,613	1,972	3,084	4,529
Trade and other payables	(614)	(604)	(257)	(264)	(323)	(426)	(1,335)	(1,732)	(21)	(27)	(593)	(3,138)
Bank loans	-	-	-	-	(53,825)	(121,698)	(56,285)	(59,531)	(26,847)	(28,220)	(213,407)	(356,568)
Net statements of financial position exposure	17,162	11,748	25,590	16,817	(39,627)	(105,090)	15,809	6,117	(25,234)	(26,253)	(136,066)	(314,778)
Foreign currency forward contracts	(2,321)	(1,481)	-	(1,804)	-	-	(634)	-	(471)	-	-	-
Cross-currency swap	-	-	-	-	(96,765)	(90,400)	-	-	-	-	-	-
Net exposure	14,841	10,267	25,590	15,013	(136,392)	(195,490)	15,175	6,117	(25,705)	(26,253)	(136,066)	(314,778)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Market risk (cont'd)

Foreign currency risk (cont'd)

Sensitivity analysis

A 10% strengthening of the Singapore dollar against the following currencies at the end of the financial year would increase/(decrease) profit or loss and other comprehensive income (before any tax effects) of the HBT Group and total return and unitholders' funds (before any tax effects) of the H-REIT Group and the Stapled Group, by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	HBT Group		H-REIT Group		Stapled Group	
	Profit or loss	Other comprehensive income	Total return	Unitholders' funds	Total return	Unitholders' funds
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2025						
Australian Dollar	-	-	(1,484)	-	(1,484)	-
New Zealand Dollar	-	-	(2,559)	-	(2,559)	-
Euro	-	-	13,639	-	13,639	-
United States Dollar	2,153	-	(9,299)	5,628	(7,146)	5,628
Japanese Yen	(2)	-	(112)	2,685	(114)	2,685
Sterling Pound	(1,486)	13,909	(2,990)	4,173	(7,734)	21,341
2024						
Australian Dollar	-	-	(1,027)	-	(1,027)	-
New Zealand Dollar	-	-	(1,501)	-	(1,501)	-
Euro	-	-	19,549	-	19,549	-
United States Dollar	2,168	-	(2,780)	-	(612)	-
Japanese Yen	(2)	-	(194)	2,822	(196)	2,822
Sterling Pound	2,699	18,527	6,149	4,103	932	30,546

A 10% weakening of the Singapore dollar against the above currencies at the end of the financial year would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are detailed below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Note	Carrying amount			Fair value			
	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
HBT Group							
2025							
Financial assets not measured at fair value							
Trade and other receivables ⁽¹⁾	7	21,748	–	21,748			
Cash and cash equivalents	8	21,825	–	21,825			
		<u>43,573</u>	<u>–</u>	<u>43,573</u>			
Financial liabilities not measured at fair value							
Loans from related entity	9	–	(332,111)	(332,111)			
Trade and other payables ⁽²⁾	11	–	(65,024)	(65,024)			
Rental deposits	11	–	(5)	(5)	–	–	(5)
		<u>–</u>	<u>(397,140)</u>	<u>(397,140)</u>			
HBT Group							
2024							
Financial assets not measured at fair value							
Trade and other receivables ⁽¹⁾	7	20,312	–	20,312			
Cash and cash equivalents	8	21,713	–	21,713			
		<u>42,025</u>	<u>–</u>	<u>42,025</u>			
Financial liabilities not measured at fair value							
Unsecured bank loan	9	–	(91,644)	(91,644)	–	(91,644)	–
Loans from related entity	9	–	(222,596)	(222,596)			
Trade and other payables ⁽²⁾	11	–	(69,797)	(69,797)			
Rental deposits	11	–	(34)	(34)	–	–	(34)
		<u>–</u>	<u>(384,071)</u>	<u>(384,071)</u>			

⁽¹⁾ Excluding prepayments

⁽²⁾ Excluding deferred income and rental deposits

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

Note	Carrying amount				Fair value			
	Amortised cost	Fair value – hedging instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
H-REIT Group								
2025								
Financial assets not measured at fair value								
Finance lease receivables	6	3,435	–	–	3,435			
Trade and other receivables ⁽¹⁾	7	370,920	–	–	370,920			
Cash and cash equivalents	8	65,236	–	–	65,236			
		<u>439,591</u>	<u>–</u>	<u>–</u>	<u>439,591</u>			
Financial assets measured at fair value								
Financial derivative assets	10	–	6,441	–	6,441	–	6,441	–
Financial liabilities measured at fair value								
Financial derivative liabilities	10	–	(9,682)	–	(9,682)	–	(9,682)	–
Financial liabilities not measured at fair value								
Secured TMK bond	9	–	–	(25,029)	(25,029)	–	(24,582)	–
Secured bank loan	9	–	–	(66,473)	(66,473)	–	(66,143)	–
Unsecured bank loans	9	–	–	(1,158,019)	(1,158,019)	–	(1,155,826)	–
Trade and other payables ⁽²⁾	11	–	–	(43,175)	(43,175)			
Rental deposits	11	–	–	(12,206)	(12,206)	–	–	(12,076)
		<u>–</u>	<u>–</u>	<u>(1,304,902)</u>	<u>(1,304,902)</u>			

⁽¹⁾ Excluding prepayments

⁽²⁾ Excluding deferred income and rental deposits

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

Carrying amount					Fair value			
Note	Amortised cost	Fair value – hedging instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
H-REIT Group								
2024								
Financial assets not measured at fair value								
Finance lease receivables	6	4,345	–	–	4,345			
Trade and other receivables ⁽¹⁾	7	263,723	–	–	263,723			
Cash and cash equivalents	8	56,575	–	–	56,575			
		324,643	–	–	324,643			
Financial assets measured at fair value								
Financial derivative assets	10	–	8,720	–	8,720			
Financial liabilities measured at fair value								
Financial derivative liabilities	10	–	(727)	–	(727)			
Financial liabilities not measured at fair value								
Secured TMK bond	9	–	–	(26,654)	(26,654)			
Secured bank loan	9	–	–	(62,142)	(62,142)			
Unsecured bank loans	9	–	–	(1,157,606)	(1,157,606)			
Trade and other payables ⁽²⁾	11	–	–	(37,893)	(37,893)			
Rental deposits	11	–	–	(11,990)	(11,990)			
		–	–	(1,296,285)	(1,296,285)			

⁽¹⁾ Excluding prepayments
⁽²⁾ Excluding deferred income and rental deposits

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

Carrying amount					Fair value			
Note	Amortised cost	Fair value – hedging instruments	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Stapled Group								
2025								
Financial assets not measured at fair value								
Finance lease receivables	6	3,435	–	–	3,435			
Trade and other receivables ⁽¹⁾	7	21,599	–	–	21,599			
Cash and cash equivalents	8	87,061	–	–	87,061			
		112,095	–	–	112,095			
Financial assets measured at fair value								
Financial derivative assets	10	–	6,441	–	6,441			
Financial liabilities measured at fair value								
Financial derivative liabilities	10	–	(9,682)	–	(9,682)			
Financial liabilities not measured at fair value								
Secured TMK bond	9	–	–	(25,029)	(25,029)			
Secured bank loan	9	–	–	(66,473)	(66,473)			
Unsecured bank loans	9	–	–	(1,158,019)	(1,158,019)			
Trade and other payables ⁽²⁾	11	–	–	(51,122)	(51,122)			
Rental deposits	11	–	–	(12,211)	(12,211)			
		–	–	(1,312,854)	(1,312,854)			

⁽¹⁾ Excluding prepayments
⁽²⁾ Excluding deferred income and rental deposits

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS (CONT'D)

(iv) Accounting classifications and fair values (cont'd)

Carrying amount					Fair value			
Note	Amortised cost \$'000	Fair value – hedging instruments \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Stapled Group								
2024								
Financial assets not measured at fair value								
Finance lease receivables	6	4,345	–	–	4,345			
Trade and other receivables ⁽¹⁾	7	25,397	–	–	25,397			
Cash and cash equivalents	8	78,288	–	–	78,288			
		108,030	–	–	108,030			
Financial assets measured at fair value								
Financial derivative assets	10	–	8,720	–	8,720			
Financial liabilities measured at fair value								
Financial derivative liabilities	10	–	(727)	–	(727)			
Financial liabilities not measured at fair value								
Secured TMK bond	9	–	–	(26,654)	(26,654)			
Secured bank loan	9	–	–	(62,142)	(62,142)			
Unsecured bank loans	9	–	–	(1,249,250)	(1,249,250)			
Trade and other payables ⁽²⁾	11	–	–	(53,980)	(53,980)			
Rental deposits	11	–	–	(12,024)	(12,024)			
		–	–	(1,404,050)	(1,404,050)			

⁽¹⁾ Excluding prepayments
⁽²⁾ Excluding deferred income and rental deposits

Measurement of fair values

The following shows the valuation techniques used in measuring Level 2 and Level 3 fair values.

Financial instruments measured at fair value

Financial derivatives

The fair values of forward foreign exchange contracts, cross-currency swaps and interest rate swaps are based on banks' quotes (Level 2 fair values). Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

Financial instruments not measured at fair value

Other non-derivative financial assets and liabilities

The fair values of TMK bond, bank loans and rental deposits are calculated using the discounted cash flow technique based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26 COMMITMENTS

		HBT Group		H-REIT Group		Stapled Group	
		2025	2024	2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(a)	Capital expenditure contracted but not provided for	1,299	763	8,243	9,451	9,542	10,214
(b)	Under the terms of the lease agreements for certain properties, the H-REIT Group and the Stapled Group are required to incur expenditure equivalent to 2.5% to 4.0% (2024: 2.5% to 4.0%) of the gross revenue to maintain and improve the hotel's or resort's furniture and fixtures, equipment and its environment. As at the end of the financial year, the H-REIT Group and the Stapled Group are committed to incur capital expenditure of \$3,166,000 (2024: \$5,120,000) under the terms of the lease agreements.						
(c)	HBT's subsidiary, CDL HBT Cambridge City Hotel (UK) Ltd, holds a leasehold land, with a 125-year lease granted by the Cambridge City Council commencing on 25 December 1990 (the "Head Lease"). The lease term may be extended for a further term of 50 years pursuant to the lessee's option to renew under the Head Lease. Lease payment under this lease is variable, being a percentage of gross revenue and subject to a minimum value that is itself a function of the aggregate rent paid over the previous 3 years. Lease liabilities and a corresponding ROU asset were recognised in the consolidated financial statements based on present value of the minimum lease payments. The variable lease payments not included in the measurement of the lease liabilities are recognised in profit or loss or the statements of total return (as the case may be). Variable lease payments of \$4,000 (2024: nil) being recorded for the years ended 31 December 2025 and 2024.						
(d)	H-REIT holds a leasehold building, with a remaining 99-year lease granted by Sentosa Development Corporation commencing on 31 October 2006. Lease payment under this lease is variable, being a percentage of gross revenue and subject to a minimum value. Lease liabilities and a corresponding ROU asset were recognised in the consolidated financial statements based on present value of the minimum lease payments. The variable lease payments not included in the measurement of the lease liabilities are recognised in profit or loss or the statements of total return (as the case may be). For the year ended 31 December 2025, the Stapled Group recorded variable lease payments of \$945,000 (2024: \$1,284,000).						
(e)	The Stapled Group has entered into several agreements in 2020, including: - a development and sale agreement to acquire a brand new lifestyle hotel from a related corporation for a purchase price equal to the lower of the fixed price of \$475.0 million or 110% of the vendor's actual development cost. The transaction is expected to be completed in 2027. - a sale and purchase agreement to acquire 100% of shares in a hotel operating company from a related corporation for a consideration equal to the acquiree's net asset value at acquisition date plus partial reimbursement of pre-opening costs incurred, subject to a maximum of \$3.1 million. The transaction is expected to be completed in 2027.						
(f)	In 2024, HBT's subsidiary, CDL HBT Oceanic Maldives Private Limited, has entered into an agreement with a third-party carrier to purchase a minimum number of seaplane charter flights, subject to an annual charge of \$1.7 million (US\$1.3 million). The agreement is for a period of 5 years to 31 October 2029, and it is cancellable by either party after 31 October 2026 without any cause.						

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27 RELATED PARTY TRANSACTIONS

In the normal course of the operations of HBT, the HBT Trustee-Manager’s trustee, management and acquisition fees have been paid or are payable to the HBT Trustee-Manager.

In the normal course of the operations of H-REIT, the H-REIT Manager’s management and acquisition fees and the H-REIT Trustee’s fee have been paid or are payable to the H-REIT Manager and the H-REIT Trustee respectively.

As at the reporting date, the HBT Trustee-Manager, the H-REIT Manager and the master lessees of Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King’s Hotel, Studio M Hotel and Grand Millennium Auckland are indirect wholly-owned subsidiaries of a substantial holder of the Stapled Securities in the Stapled Group.

During the financial year, other than the transactions disclosed elsewhere in the consolidated financial statements, there were the following related party transactions:

	HBT Group		H-REIT Group		Stapled Group	
	2025 \$’000	2024 \$’000	2025 \$’000	2024 \$’000	2025 \$’000	2024 \$’000
Related corporations of the H-REIT Manager and the HBT Trustee-Manager						
Acquisition fee paid/payable	–	1,616	–	640	–	2,256
Rental income received/ receivable	–	–	75,430	79,659	75,430	79,659
Rental expense paid/payable	–	64	1,148	1,056	1,148	1,120
Shared service expenses paid/ payable	120	193	412	583	532	776
Corporate secretarial services fee paid/payable	55	64	127	118	182	182
Asset management fees	116	154	–	–	116	154
Advisory fee paid/payable	12	35	–	–	12	35

28 FINANCIAL RATIOS

	H-REIT Group		Stapled Group	
	2025 %	2024 %	2025 %	2024 %
Expenses to weighted average net assets ⁽¹⁾				
- including performance component of H-REIT Manager’s management fees ⁽²⁾	0.95	0.89	1.21	1.28
- excluding performance component of H-REIT Manager’s management fees ⁽²⁾	0.66	0.60	0.90	0.98
Portfolio turnover rate ⁽³⁾	–	3.54	–	5.26

⁽¹⁾ The annualised ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the H-REIT Group and the Stapled Group, excluding property expenses, interest expense and income tax expense of each entity, where applicable.

⁽²⁾ Excluding acquisition fee and costs associated with the acquisition of a property.

⁽³⁾ The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the H-REIT Group and the Stapled Group expressed as a percentage of daily average net asset value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 ACQUISITIONS

For the financial year ended 31 December 2025

On 6 November 2024, the HBT Group completed the acquisition of Hotel Indigo Exeter (the “**Hotel**”) and two retail units (the “**Retail Units**”) through its wholly-owned subsidiaries, CDL HBT Investments (III) Property Limited and CDL HBT Investments (III) Retail Limited respectively.

On 19 December 2024, the H-REIT Group also completed the acquisition of Benson Yard, a Purpose-Built Student Accommodation in Liverpool (the “**Residential**”), through its wholly-owned subsidiary, CDL HREIT Investments (IV) Property Limited. The Residential comes with a vacant land adjacent to Benson Yard which has a notional amount of £1.

Hotel

The Hotel comprises land and building. The acquisition of the Hotel was together with chattels and equipment, business intellectual property rights, business information and contracts, inventories, and organised workforce (collectively the “**Acquired Hotel**”). The acquired inputs and processes significantly contributed to the ability to generate revenue. Therefore, the Acquired Hotel is a business. Accordingly, the Acquired Hotel has been accounted for as a business combination by the HBT Group and the Stapled Group.

From 6 November 2024 to 31 December 2024, the Acquired Hotel contributed hotel revenue of \$1,413,000 and loss before tax or total return before tax (as the case may be) of \$155,000 to the HBT Group’s and the Stapled Group’s financial results.

For the reporting year, the Acquired Hotel was undergoing gestation and if the acquisition had occurred on 1 January 2024,

- the consolidated revenue of the HBT Group would have been \$151,724,000 and the consolidated loss for the year before tax of the HBT Group would have been \$22,574,000.
- the consolidated revenue of the Stapled Group would have been \$267,377,000 and the consolidated total return for the year before tax of the Stapled Group would have been \$19,701,000.

In determining these amounts, the HBT Trustee-Manager and the H-REIT Manager have assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2024.

Consideration transferred

	\$’000
Total consideration transferred	26,200

Acquisition-related costs

A total acquisition-related costs of \$2,403,000 (£1,396,000) have been recognised in profit or loss or the statements of total return (as the case may be), out of which:

- acquisition fee of \$334,000 has been included in ‘HBT Trustee-Manager’s acquisition fee’; and
- professional due diligence costs of \$2,069,000 have been included in ‘other expenses’.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29ACQUISITIONS (CONT'D)

For the financial year ended 31 December 2025 (cont'd)

Hotel (cont'd)

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised fair value amounts of assets acquired and liabilities assumed at the date of acquisition.

	\$'000
Property, plant and equipment	30,643
Inventory	69
Other receivables	8
Trade and other payables	(466)
Deferred tax liabilities	(1,019)
Total identifiable net assets	29,235

Identifiable net assets have been determined on a provisional basis. If new information obtained within one year from the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired (mainly land and building) were as follows:

Assets acquired	Valuation techniques
Land and building	Discounted cash flows (DCF) and Income capitalisation method: The DCF method involves the present value of (i) projected earnings (net of capital expenditure where appropriate) for the Hotel over 10 years and (ii) the value of the Hotel derived from the capitalised earnings in the 10th year, using an appropriate discount rate. Income capitalisation method involves capitalising the projected earnings for the Hotel in a stabilised trading year and making allowances for the income shortfall up to stabilisation/capital expenditure required.

Bargain Purchase

Bargain purchase arising from the Acquired Hotel has been recognised as follows:

	\$'000
Total consideration transferred	26,200
Fair value of identifiable net assets	(29,235)
Gain from a bargain purchase	(3,035)

The gain from a bargain purchase of the Acquired Hotel relates to the lower consideration transferred as compared to the fair value of the identifiable net assets determined by the independent valuer. The gain from a bargain purchase was recognised in profit or loss or the statements of total return (as the case may be) and is also disclosed under the UK segment (Note 24).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29ACQUISITIONS (CONT'D)

For the financial year ended 31 December 2025 (cont'd)

Retail Units

The HBT Group purchased the Retail Units at cash consideration of \$6.9 million (£4.0 million) and has incurred acquisition-related costs of \$0.3 million (£0.2 million). These costs have been capitalised and included in 'investment properties'.

Residential

The acquisition of the Residential was together with chattels and equipment, service contracts and workforce under property management contract. The acquired processes do not significantly contribute to the ability to generate revenue. Therefore, the Residential does not constitute a business and it has been accounted for as acquisition of property by the H-REIT Group.

The H-REIT Group purchased the Residential at cash consideration of \$64.0 million (£37.3 million) and has incurred acquisition-related costs of \$5.6 million (£3.3 million). These costs have been capitalised and included in 'investment properties'.

Effect of the acquisitions on cash flows

The following table shows the amounts recognised in statements of cash flows for the acquisitions mentioned above:

	HBT Group	H-REIT Group
	Acquired Hotel	Retail Units
	\$'000	\$'000
Total consideration transferred	26,200	6,833
Add: Acquisition-related costs	2,403	340
Less: Acquisition-related costs not yet paid	(731)	–
Net cash outflow on acquisitions	27,872	7,173

	Residential
	\$'000
	63,273
	5,646
	(1,800)
	67,119

30LEASES

(i) Leases as lessee

The HBT Group, the H-REIT Group and the Stapled Group mainly lease land and buildings. The leases typically run for periods ranging from 1 to 197 years (2024: 2 to 197 years), some with options to renew after the lease expiry dates. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the HBT Group, the H-REIT Group and the Stapled Group are restricted from entering into any sub-lease arrangements.

One of the leased properties has been sub-let by the H-REIT Group and the Stapled Group. The sub-lease is classified as a finance lease.

Information about leases for which the HBT Group, the H-REIT Group and the Stapled Group are lessees is presented below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(i) Leases as lessee (cont'd)

Right-of-use assets

ROU assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment.

	Leasehold land \$'000	Building \$'000	Office equipment \$'000	Motor vehicles \$'000	Total \$'000
HBT Group					
2025					
At 1 January	34,570	68,669	11	–	103,250
Additions to ROU assets	–	116	–	73	189
Write-off	–	(77)	–	–	(77)
Adjustment to ROU assets	–	453	–	–	453
Depreciation charge	(2,857)	(6,300)	(9)	(37)	(9,203)
Translation differences	(1,208)	546	–	–	(662)
At 31 December	30,505	63,407	2	36	93,950
2024					
At 1 January	36,676	75,342	19	84	112,121
Adjustment to ROU assets	–	1,445	–	(42)	1,403
Depreciation charge	(2,916)	(6,528)	(8)	(42)	(9,494)
Translation differences	810	(1,590)	–	–	(780)
At 31 December	34,570	68,669	11	–	103,250

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(i) Leases as lessee (cont'd)

Right-of-use assets (cont'd)

	Leasehold land \$'000	Building \$'000	Office equipment \$'000	Motor vehicles \$'000	Total \$'000
Stapled Group					
2025					
At 1 January	83,727	8,655	11	–	92,393
Additions to ROU assets	–	116	–	73	189
Write-off	–	(113)	–	–	(113)
Adjustment to ROU assets	–	453	–	–	453
Depreciation charge	(1,097)	(102)	(9)	(37)	(1,245)
Revaluation deficit recognised in unitholders' funds	(576)	–	–	–	(576)
Translation differences	(1,051)	263	–	–	(788)
At 31 December	81,003	9,272	2	36	90,313
2024					
At 1 January	83,792	7,265	19	84	91,160
Adjustment to ROU assets	–	1,445	–	(42)	1,403
Depreciation charge	(1,100)	(144)	(8)	(42)	(1,294)
Revaluation surplus recognised in unitholders' funds	343	–	–	–	343
Translation differences	692	89	–	–	781
At 31 December	83,727	8,655	11	–	92,393

Amounts recognised in profit or loss or the statements of total return (as the case may be)

	HBT Group		H-REIT Group		Stapled Group	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Interest on lease liabilities	3,996	4,339	4,406	4,429	5,161	5,152
Expenses relating to short term leases	–	–	392	326	392	326

Amounts recognised in statements of cash flows

	HBT Group		H-REIT Group		Stapled Group	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Payment of lease liabilities	(9,250)	(8,832)	(1,072)	(957)	(1,159)	(1,099)
Finance costs paid	(3,996)	(4,339)	(4,406)	(4,429)	(5,160)	(5,152)
Total cash outflow for leases	(13,246)	(13,171)	(5,478)	(5,386)	(6,319)	(6,251)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(i) Leases as lessee (cont'd)

Extension options

Some property leases contain extension options exercisable by the HBT Group and the H-REIT Group before the end of the non-cancellable contract period. Where practicable, the HBT Group and the H-REIT Group seek to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the HBT Group and the H-REIT Group and not by the lessors. The HBT Group and the H-REIT Group assess at lease commencement date whether it is reasonably certain to exercise the extension options. The HBT Group and the H-REIT Group reassess whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within their control.

The H-REIT Group has estimated the potential future lease payments that are not reflected in the measurement of lease liabilities, should they exercise the extension options, would result in an increase in future cash outflows of \$64.3 million (2024: \$64.3 million).

Variable lease payments

HBT’s subsidiary, AKO GK, leases the Japan hotel properties from CDLHT Hanei Tokutei Mokuteki Kaisha, a subsidiary of H-REIT, for 1-year periods renewable on an annual basis. Monthly lease payments under these leases are variable, equal to the gross operating profit of the hotel properties in the preceding month, subject to certain adjustments. Lease liabilities are not recognised in respect of these leases as the variable monthly lease payments are not subject to a minimum value.

(ii) Leases as lessor

The HBT Group, the H-REIT Group and the Stapled Group lease out their investment properties consisting of hotels, resorts, residential and retail properties. All leases are classified as operating leases from a lessor perspective with the exception of a sub-lease which has been classified as a finance sub-lease.

Finance lease

The H-REIT Group and the Stapled Group have sub-leased a building in which the ROU asset arising from the head lease has been presented as part of investment property. The sub-lease was assessed to be a finance lease under FRS 116/SFRS(I) 16. Consequently, the H-REIT Group and the Stapled Group derecognised the ROU asset relating to the head lease and recognised finance lease receivables. During the term of the sub-lease, the H-REIT Group and the Stapled Group recognise interest income on the sub-lease and interest expense on the head lease.

During the financial year, the H-REIT Group and the Stapled Group recognised interest income on the finance lease receivables of \$209,000 (2024: \$256,000).

The following table sets out a maturity analysis of finance lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	2025	2024
	\$'000	\$'000
H-REIT Group and Stapled Group		
Within 1 year	1,184	1,120
1 to 2 years	1,248	1,184
2 to 3 years	1,288	1,248
3 to 4 years	–	1,287
Total undiscounted finance lease receivables	3,720	4,839
Unearned finance income	(285)	(494)
Net investment in the lease	3,435	4,345

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 LEASES (CONT'D)

(ii) Leases as lessor (cont'd)

Operating lease

The HBT Group, the H-REIT Group and the Stapled Group lease out their investment properties. The HBT Group, the H-REIT Group and the Stapled Group have classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The portfolio statements set out information about the operating leases of investment properties.

Rental revenue from investment properties recognised by the HBT Group, the H-REIT Group and the Stapled Group is disclosed in Note 17.

In addition, the H-REIT Group also leases out its Japan properties which are classified as property, plant and equipment to the HBT Group for 1-year periods, renewable on an annual basis. Monthly lease payments receivable under these leases are variable, equal to the gross operating profit of the hotel properties in the preceding month, subject to certain adjustments. The variable monthly lease payments are not subject to a minimum value.

The rental revenue from property, plant and equipment recognised by the H-REIT Group in respect of these leases during the year was \$5,068,000 (2024: \$4,750,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Operating leases under FRS 116/SFRS(I) 16

	HBT Group		H-REIT Group		Stapled Group	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Within 1 year	4,996	4,219	64,666	75,720	57,215	67,357
1 to 2 years	6	15	44,221	57,285	31,779	44,718
2 to 3 years	–	–	41,812	40,859	29,364	28,277
3 to 4 years	–	–	40,888	39,267	28,440	26,685
4 to 5 years	–	–	40,706	39,094	28,258	26,512
More than 5 years	–	–	186,124	219,462	144,084	164,201
	5,002	4,234	418,417	471,687	319,140	357,750

The above operating lease receivables are based on the fixed component of the rent receivable under the lease agreements, adjusted for increases in rent where such increases have been provided for under the lease agreements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 GROUP ENTITIES

The HBT Group and the H-REIT Group have equity investments in subsidiaries.

Details of the significant subsidiaries are as follows:

Name of subsidiaries	Place of incorporation	Effective equity interest held by the H-REIT Group and the Stapled Group	
		2025	2024
		%	%
Subsidiaries of H-REIT			
⁽¹⁾ CDLHT (BVI) One Ltd	British Virgin Islands	100	100
⁽¹⁾ CDLHT (BVI) Trust One	–	100	100
⁽³⁾ Sunshine Hotels Australia Pty Ltd	Australia	100	100
⁽¹⁾ CDLHT Sunshine Limited	British Virgin Islands	100	100
⁽¹⁾ CDLHT Sunrise Limited	British Virgin Islands	100	100
⁽¹⁾ CDLHT Sanctuary Limited	British Virgin Islands	100	100
⁽²⁾ CDLHT MTN Pte. Ltd.	Singapore	100	100
⁽²⁾ CDLHT Oceanic Holdings Pte. Ltd.	Singapore	100	100
⁽²⁾ CDLHT Hanei One Pte. Ltd.	Singapore	100	100
⁽²⁾ CDLHT Hanei Two Pte. Ltd.	Singapore	100	100
⁽²⁾ CDLHT Two Pte. Ltd.	Singapore	100	100
⁽²⁾ CDLHT Munich One Pte. Ltd.	Singapore	100	100
⁽²⁾ CDLHT Munich Two Pte. Ltd.	Singapore	100	100
⁽²⁾ CDLHT CFM One Pte. Ltd.	Singapore	100	100
⁽²⁾ CDLHT CFM Two Pte. Ltd.	Singapore	100	100
⁽³⁾ CDL HREIT Investments (II) Limited	England and Wales	100	100
Subsidiaries of CDLHT Sunshine Limited			
⁽¹⁾ Sun Three Investments Limited	British Virgin Islands	100	100
⁽¹⁾ Sun Four Investments Limited	British Virgin Islands	100	100
Subsidiary of Sun Three Investments Limited			
⁽¹⁾ Sun Trust Three	–	100	100
Subsidiary of Sun Four Investments Limited			
⁽¹⁾ Sun Trust Four	–	100	100
Subsidiary of CDLHT Sanctuary Limited			
⁽³⁾ Sanctuary Sands Maldives Private Limited	Maldives	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 GROUP ENTITIES (CONT'D)

Name of subsidiaries	Place of incorporation	Effective equity interest held by the H-REIT Group and the Stapled Group	
		2025	2024
		%	%
Subsidiary of CDLHT Oceanic Holdings Pte. Ltd.			
⁽¹⁾ CDLHT Oceanic Ltd	British Virgin Islands	100	100
Subsidiary of CDLHT Oceanic Ltd			
⁽¹⁾ CDLHT Oceanic Two Ltd	British Virgin Islands	100	100
Subsidiary of CDLHT Oceanic Two Ltd			
⁽³⁾ CDLHT Oceanic Maldives Private Limited	Maldives	100	100
Subsidiary of CDLHT Hanei Two Pte. Ltd.			
⁽³⁾ CDLHT Hanei Tokutei Mokuteki Kaisha	Japan	100	100
Subsidiaries of CDLHT Munich One Pte. Ltd.			
⁽¹⁾ NKS Hospitality I B.V.	Netherlands	94.9	94.9
⁽¹⁾ Munich Furniture B.V.	Netherlands	94.9	94.9
Subsidiary of CDLHT CFM One Pte. Ltd.			
⁽¹⁾ CDLHT CFM III B.V.	Netherlands	95.0	95.0
Subsidiary of CDLHT CFM III B.V.			
⁽¹⁾ CDLHT CFM III SRL	Italy	95.0	95.0
Subsidiary of CDLHT CFM III SRL			
⁽¹⁾ NKS Hospitality III SRL	Italy	95.0	95.0
Subsidiaries of CDL HREIT Investments (II) Limited			
⁽³⁾ CDL HREIT Investments (II) Property Limited	England and Wales	100	100
⁽⁵⁾ CDL HREIT Investments (IV) Property Limited	England and Wales	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 GROUP ENTITIES (CONT'D)

Name of subsidiaries	Place of incorporation	Effective equity interest held by the HBT Group and the Stapled Group	
		2025	2024
		%	%
Subsidiaries of HBT			
⁽²⁾ CDL HBT Oceanic Holdings Pte. Ltd.	Singapore	100	100
⁽²⁾ CDL HBT Hanei Pte. Ltd.	Singapore	100	100
⁽²⁾ CDL HBT Cambridge City Pte. Ltd.	Singapore	100	100
⁽²⁾ Gemini Two Pte. Ltd.	Singapore	100	100
⁽²⁾ CDL HBT Sun Pte. Ltd.	Singapore	100	100
⁽²⁾ CDL HBT Investments (I) Pte. Ltd.	Singapore	100	100
⁽²⁾ CDL HBT Investments (III) Pte. Ltd.	Singapore	100	100
⁽²⁾ CDL HBT Investments (IV) Pte. Ltd.	Singapore	100	100
Subsidiary of CDL HBT Oceanic Holdings Pte. Ltd.			
⁽¹⁾ CDL HBT Oceanic Ltd	British Virgin Islands	100	100
Subsidiary of CDL HBT Oceanic Ltd			
⁽¹⁾ CDL HBT Oceanic Two Ltd	British Virgin Islands	100	100
Subsidiary of CDL HBT Oceanic Two Ltd			
⁽³⁾ CDL HBT Oceanic Maldives Private Limited	Maldives	100	100
Subsidiary of CDL HBT Hanei Pte. Ltd.			
⁽³⁾ AKO GK	Japan	100	100
Subsidiaries of CDL HBT Cambridge City Pte. Ltd.			
⁽³⁾ CDL HBT Cambridge City (UK) Ltd	England and Wales	100	100
⁽⁴⁾ CDL HBT North Ltd	England and Wales	100	100
Subsidiary of CDL HBT Cambridge City (UK) Ltd			
⁽³⁾ CDL HBT Cambridge City Hotel (UK) Ltd	England and Wales	100	100
Subsidiary of CDL HBT North Ltd			
⁽⁴⁾ The Lowry Hotel Ltd	England and Wales	100	100
Subsidiaries of CDL HBT Sun Pte. Ltd.			
⁽³⁾ CDL HBT Sun Three Pty Ltd	Australia	100	100
⁽³⁾ CDL HBT Sun Four Pty Ltd	Australia	100	100
Subsidiary of CDL HBT Investments (I) Pte. Ltd.			
⁽⁴⁾ CDL HBT Investments (I) Limited	England and Wales	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 GROUP ENTITIES (CONT'D)

Name of subsidiaries	Place of incorporation	Effective equity interest held by the HBT Group and the Stapled Group	
		2025	2024
		%	%
Subsidiaries of CDL HBT Investments (I) Limited			
⁽⁴⁾ CDL HBT Investments (I) Property Limited	England and Wales	100	100
⁽⁴⁾ CDL HBT Investments (I) Operations Limited	England and Wales	100	100
Subsidiaries of CDL HBT Investments (III) Pte. Ltd.			
⁽⁴⁾ CDL HBT Investments (III) Property Limited	England and Wales	100	100
⁽⁴⁾ CDL HBT Investments (III) Retail Limited	England and Wales	100	100
Subsidiary of CDL HBT Investments (IV) Pte. Ltd.			
⁽⁵⁾ CDL HBT Investments (IV) Property Limited	England and Wales	100	100
⁽¹⁾ Not required to be audited under the laws of the country of incorporation/constitution.			
⁽²⁾ Audited by KPMG LLP, Singapore.			
⁽³⁾ Audited by other member firms of KPMG International.			
⁽⁴⁾ Audited by BDO LLP, United Kingdom.			
⁽⁵⁾ Audited by HaysMac LLP, United Kingdom.			

32 SUBSEQUENT EVENTS

Subsequent to the reporting date, there were the following events:

- (i) the HBT Trustee-Manager and the H-REIT Manager declared a distribution of 2.82 cents per Stapled Security to Stapled Securityholders in respect of the period from 1 July 2025 to 31 December 2025.
- (ii) 1,977,204 Stapled Securities, amounting to \$1,621,000, were issued as satisfaction of the H-REIT Manager's base fee for the period from 1 October 2025 to 31 December 2025.
- (iii) 263,633 Stapled Securities, amounting to \$216,000, were issued as satisfaction of the HBT Trustee-Manager's base fee for the period from 1 October 2025 to 31 December 2025.
- (iv) On 20 February 2026, H-REIT issued \$100.0 million of fixed rate perpetual securities under the Stapled Group's \$1.5 billion Multi-currency Debt Issuance Programme established on 5 November 2025. The perpetual securities carry an initial distribution rate of 4.00% per annum. The proceeds were used to repay existing borrowings.

STATISTICS OF STAPLED SECURITY HOLDINGS

As at 6 March 2026

SUMMARY INFORMATION OF STAPLED SECURITIES

A Stapled Security means a security comprising one unit of H-REIT and one unit of HBT stapled together under the terms of the Stapling Deed dated 12 June 2006 (as amended). Each holder of the Stapled Securities has one vote per Stapled Security.

RANGE OF STAPLED SECURITY HOLDINGS

Issued and Fully Paid Stapled Securities: 1,273,011,283 Stapled Securities

Size of Stapled Security Holdings	No. of Stapled Security Holders	%	No. of Stapled Securities	%
1 - 99	2,391	9.43	114,864	0.01
100 - 1,000	10,950	43.20	4,057,884	0.32
1,001 - 10,000	7,625	30.08	35,809,871	2.81
10,001 - 1,000,000	4,341	17.13	200,666,597	15.76
1,000,001 and above	41	0.16	1,032,362,067	81.10
	25,348	100.00	1,273,011,283	100.00

TWENTY LARGEST STAPLED SECURITY HOLDERS

No.	Name	No. of Stapled Securities	%*
1.	HOSPITALITY HOLDINGS PTE LTD	169,650,000	13.33
2.	CITIBANK NOMINEES SINGAPORE PTE LTD	166,155,148	13.05
3.	DBS NOMINEES (PRIVATE) LIMITED	164,711,038	12.94
4.	M&C REIT MANAGEMENT LIMITED	136,126,027	10.69
5.	REPUBLIC HOTELS & RESORTS LIMITED	62,790,000	4.93
6.	HSBC (SINGAPORE) NOMINEES PTE LTD	61,912,061	4.86
7.	DBSN SERVICES PTE. LTD.	39,172,732	3.08
8.	RAFFLES NOMINEES (PTE.) LIMITED	35,203,056	2.77
9.	HONG LEONG INVESTMENT HOLDINGS PTE LTD	26,958,434	2.12
10.	HONG LEONG HOLDINGS LTD	23,657,208	1.86
11.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	15,282,395	1.20
12.	PHILLIP SECURITIES PTE LTD	12,067,446	0.95
13.	BPSS NOMINEES SINGAPORE (PTE.) LTD.	10,871,703	0.85
14.	ABN AMRO CLEARING BANK N.V.	8,149,405	0.64
15.	IFAST FINANCIAL PTE. LTD.	7,183,027	0.56
16.	GUAN HONG PLANTATION PTE LTD	6,908,745	0.54
17.	OCBC SECURITIES PRIVATE LIMITED	6,635,849	0.52
18.	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	5,933,834	0.47
19.	M&C BUSINESS TRUST MANAGEMENT LIMITED	5,610,450	0.44
20.	HONG REALTY (PRIVATE) LIMITED	5,478,787	0.43
	TOTAL	970,457,345	76.23

* The percentage of Stapled Securities is based on the total number of issued Stapled Securities as at 6 March 2026.

SUBSCRIPTION OF STAPLED SECURITIES IN CDL HOSPITALITY TRUSTS

As at 31 December 2025, 1,270,770,446 Stapled Securities were issued. On 30 January 2026, 1,977,204 Stapled Securities and 263,633 Stapled Securities were issued to the H-REIT Manager and HBT Trustee-Manager as payment of 80.0 per cent of base management fees for the period from 1 October 2025 to 31 December 2025 respectively.

STATISTICS OF STAPLED SECURITY HOLDINGS

As at 6 March 2026

H-REIT MANAGER'S DIRECTORS' AND HBT TRUSTEE-MANAGER'S DIRECTORS' STAPLED SECURITY HOLDINGS

As shown in the Register of Directors' Stapled Security Holdings as at 6 March 2026, the interests of each Director in the Stapled Securities in CDLHT are as follows:

Name of Director	Holdings
Chan Soon Hee, Eric	NIL
Vincent Yeo Wee Eng	138,000
Cheah Sui Ling	NIL
Kwek Eik Sheng	695,638
Eng Chin Chin	NIL
Richard Anthony Johnson	NIL

SUBSTANTIAL STAPLED SECURITY HOLDERS

As at 6 March 2026

Name	Direct Interest	Deemed Interest	Total Holdings	%*
Hospitality Holdings Pte. Ltd.	169,650,000	–	169,650,000	13.33
M&C REIT Management Limited	136,126,027	5,610,450 ⁽¹⁾	141,736,477	11.13
ATOS Holding GmbH	–	169,650,000 ⁽²⁾	169,650,000	13.33
M&C Hotel Investments Pte. Ltd.	–	204,526,477 ⁽³⁾	204,526,477	16.06
M&C Hospitality International Limited	–	204,526,477 ⁽³⁾	204,526,477	16.06
M&C Singapore Holdings (UK) Limited	–	204,526,477 ⁽³⁾	204,526,477	16.06
Millennium & Copthorne Hotels Limited	–	374,176,477 ⁽⁴⁾	374,176,477	29.39
Agapier Investments Limited	–	374,176,477 ⁽⁴⁾	374,176,477	29.39
Singapura Developments (Private) Limited	–	374,176,477 ⁽⁴⁾	374,176,477	29.39
City Developments Limited	108,177	374,176,477 ⁽⁴⁾	374,284,654	29.40
Hong Leong Investment Holdings Pte. Ltd.	26,958,434	422,148,589 ⁽⁵⁾	449,107,023	35.28
Davos Investment Holdings Private Limited	–	449,107,023 ⁽⁶⁾	449,107,023	35.28
Kwek Holdings Pte Ltd	–	449,107,023 ⁽⁶⁾	449,107,023	35.28

* The percentage of Stapled Securities is based on the total number of issued Stapled Securities as at 6 March 2026.

Notes:

- ⁽¹⁾ M&C REIT Management Limited is deemed under Section 4 of the Securities and Futures Act 2001 (“SFA”), to have an interest in the 5,610,450 Stapled Securities held by a company in which it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the Stapled Securities thereof.
- ⁽²⁾ ATOS Holding GmbH is deemed under Section 4 of the SFA, to have an interest in the 169,650,000 Stapled Securities held by a company in which it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the Stapled Securities thereof.
- ⁽³⁾ M&C Hotel Investments Pte. Ltd., M&C Hospitality International Limited and M&C Singapore Holdings (UK) Limited are deemed under Section 4 of the SFA, to have an interest in the 204,526,477 Stapled Securities held by companies in which they are entitled to exercise or control the exercise of not less than 20% of the votes attached to the Stapled Securities thereof.
- ⁽⁴⁾ Millennium & Copthorne Hotels Limited, Agapier Investments Limited, Singapura Developments (Private) Limited and City Developments Limited are deemed under Section 4 of the SFA, to have an interest in the 374,176,477 Stapled Securities held by companies in which they are entitled to exercise or control the exercise of not less than 20% of the votes attached to the Stapled Securities thereof.
- ⁽⁵⁾ Hong Leong Investment Holdings Pte. Ltd. is deemed under Section 4 of the SFA, to have an interest in the 422,148,589 Stapled Securities held by companies in which it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the Stapled Securities thereof.
- ⁽⁶⁾ Davos Investment Holdings Private Limited and Kwek Holdings Pte Ltd are deemed under Section 4 of the SFA, to have an interest in the 449,107,023 Stapled Securities held by companies in which they are entitled to exercise or control the exercise of not less than 20% of the votes attached to the Stapled Securities thereof.

FREE FLOAT

Based on information made available to the H-REIT Manager and the HBT Trustee-Manager as at 6 March 2026, no less than 64.51% of the Stapled Securities in CDL Hospitality Trusts is held by the public and accordingly, Rule 723 of the Listing Manual of Singapore Exchange Securities Trading Limited has been complied with.

INTERESTED PERSON TRANSACTIONS

The aggregate value of all Interested Person Transactions, as defined in the Listing Manual of Singapore Exchange Securities Trading Limited (“SGX-ST”) and the Property Funds Appendix of the Code on Collective Investment Schemes, which were entered into during the financial year ended 31 December 2025 (“FY 2025”) (excluding transactions less than \$100,000) are listed below.

		Aggregate value of all Interested Person Transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under Stapled Security Holders' mandate pursuant to Rule 920 of the Listing Manual of SGX-ST)	Aggregate value of all Interested Person Transactions conducted under Stapled Security Holders' mandate pursuant to Rule 920 of the Listing Manual of SGX-ST (excluding transactions less than \$100,000)
Name of Interested Persons	Nature of relationship		
CDL Hospitality Real Estate Investment Trust ("H-REIT")			
Subsidiaries of City Developments Limited			
- Shared services agreement in relation to the co-sharing of Mechanical and Electrical equipment as well as the centralisation of certain maintenance and services contracts between Orchard Hotel Singapore and Claymore Connect	City Developments Limited is a controlling unitholder of H-REIT. Its subsidiaries are interested persons being associates of the controlling unitholder.	\$596,170	Not Applicable ⁽¹⁾
- Lease agreement in relation to Grand Millennium Auckland		\$36,654,610	Not Applicable ⁽¹⁾
- Provision of Corporate Secretarial Services		\$127,040	Not Applicable ⁽¹⁾
CDL Hospitality Business Trust ("HBT")			
Subsidiaries/associates of City Developments Limited			
- Shared services agreement for revenue management between W Singapore - Sentosa Cove, The St. Regis Singapore, JW Marriott Singapore South Beach and The Singapore EDITION ⁽³⁾	City Developments Limited is a controlling unitholder of HBT. Its subsidiaries/associates are interested persons being associates of the controlling unitholder.	\$178,346	Not Applicable ⁽¹⁾
- Provision of Corporate Secretarial Services		\$70,660 ⁽²⁾	Not Applicable ⁽¹⁾
Total:		\$37,626,826	-

Notes:

⁽¹⁾ The H-REIT Manager and the HBT Trustee-Manager have not sought any unitholders’ mandate for interested person/party transactions pursuant to Rule 920 of the Listing Manual of SGX-ST.

⁽²⁾ Notwithstanding the transaction value is below \$100,000, the H-REIT Manager and the HBT Trustee-Manager have taken a view to aggregate and disclose the transaction as one transaction with the same interested person, being subsidiaries/associates of the controlling unitholder.

⁽³⁾ JW Marriott Singapore South Beach was divested by City Developments Limited to a non-related third party on 1 September 2025. Hence, the shared services agreement is no longer regarded as an interested person transaction after 31 August 2025.

Please also refer to Note 27 “Related Party Transactions” in CDLHT’s financial statements.

Except as disclosed above, there were no other interested person/party transactions (excluding transactions of less than \$100,000 each and/or transactions collectively described as “Exempted Agreements”) entered into in FY 2025.

GLOSSARY PAGE

2025 AGMs	2025 Annual General Meetings
2026 AGMs	2026 Annual General Meetings
Singapore Hotels	Portfolio hotels located in Singapore consisting of Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King’s Hotel, Studio M Hotel and W Singapore – Sentosa Cove
ACRA	Accounting and Corporate Regulatory Authority
ACRA Code	Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities
Act or BTA	Business Trusts Act 2004
ADR	Average Daily Rate
Aggregate Leverage	Total Borrowings and Deferred Payments of a Property Fund over its Deposited Property
AGMs	Annual General Meetings
AHU	Air Handling Unit
AOR	Average Occupancy Rate
ARCs	Audit and Risk Committees
ARC Self-Assessment Checklist	A Self-Assessment Checklist which the ARC used to conduct an assessment of its effectiveness for the financial year under review, adapted from the Self-Assessment Checklist for audit committees set out in the ACGC Guidebook
AY	Academic Year
BCA	Building & Construction Authority
BMS	Building Management Systems
Boards	HBT Board and the H-REIT Board
BOD or Board	Board of Directors
BREEAM	Building Research Establishment Environmental Assessment Method
BSCs	Board Sustainability Committees
BTR	Build-to-Rent
CAGR	Compound Annual Growth Rate
CDL	City Developments Limited
CDLHT	CDL Hospitality Trusts
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGU	Cash Generating Unit
Code or CG Code	Code of Corporate Governance 2018
CIS Code	Code on Collective Investment Schemes
CMS	Capital Markets Services
Committees	Committees established by the H-REIT Manager Board and the HBT Trustee-Manager Board, namely the Audit and Risk Committee(s), Nominating and Remuneration Committee(s) and Board Sustainability Committee(s)
Companies Act	Companies Act 1967
COVID-19	Coronavirus Disease
CPF	Central Provident Fund
DPS	Distribution per Stapled Security

GLOSSARY PAGE

EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
ECL	Expected Credit Loss
EMS	Energy Management Systems
EPC	Energy Performance Certificate
ESG	Environmental, Social and Governance
EV	Electric Vehicle
Exempted Agreements	Interested Person/Party Transactions of less than \$100,000 each
F&B	Food and Beverage
FRS	Singapore Financial Reporting Standards
FVOCI	Fair Value through Other Comprehensive Income
FVTPL	Fair Value through Profit or Loss
FY 2025	Financial Year ended 31 December 2025
Germany Hotel	Pullman Hotel Munich
GFA	Gross Floor Area
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GSTC	Global Sustainable Tourism Council
HBT	CDL Hospitality Business Trust
HBT Group	CDL Hospitality Business Trust and its subsidiaries
HBT Trust Deed	The trust deed constituting HBT dated 12 June 2006 (as amended from time to time)
HBT Trust Property	The trust property of HBT
HBT Trustee-Manager	M&C Business Trust Management Limited as Trustee-Manager of CDL Hospitality Business Trust
HBT Trustee-Manager Board	Board of Directors of the HBT Trustee-Manager
HBT Trustee-Manager Directors	Directors of the HBT Trustee-Manager
HBT Unitholders	Unitholders of HBT
HBT Unit(s)	Unit(s) of HBT
Head Lease	125-year leasehold interest commencing 25 December 1990 for Hilton Cambridge City Centre
HODs	Heads of Departments
Hotel Cerretani Firenze or Italy Hotel	Hotel Cerretani Firenze – MGallery
H-REIT	CDL Hospitality Real Estate Investment Trust
H-REIT Group	CDL Hospitality Real Estate Investment Trust and its subsidiaries
H-REIT Manager	M&C REIT Management Limited as the Manager of CDL Hospitality Real Estate Investment Trust
H-REIT Trust Deed	The trust deed constituting H-REIT dated 8 June 2006 (as amended from time to time)
H-REIT Trustee	DBS Trustee Limited as the Trustee of CDL Hospitality Real Estate Investment Trust
H-REIT Unit(s)	Unit(s) of H-REIT
IA	Internal Audit

GLOSSARY PAGE

ICR	Interest Coverage Ratio
IDs	Independent Directors
IPCC	Intergovernmental Panel on Climate Change
IPO	Initial Public Offering
IPO Hotels	Portfolio hotels at IPO consisting of Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel and Copthorne King’s Hotel
IPTs	Interested Person Transactions
IR	Investor Relations
IRAS	Inland Revenue Authority of Singapore
ISCA	Institute of Singapore Chartered Accountants
ISSB	International Sustainability Standards Board
IT	Information Technology
Japan Hotels	Portfolio hotels located in Japan consisting of Hotel MyStays Asakusabashi and Hotel MyStays Kamata
KMP	Key Management Personnel
KPIs	Key Performance Indicators
KPMG	KPMG LLP
LED	Listed Entity Director
Listing Manual of SGX-ST	Listing rules issued by Singapore Exchange Securities Trading Limited
M&C	Millennium & Copthorne Hotels Limited
Maldives Resorts	Portfolio resorts located in Maldives consisting of Angsana Velavaru and The Halcyon Private Isles Maldives, Autograph Collection
Managers	The H-REIT Manager and the HBT Trustee-Manager
MAS	Monetary Authority of Singapore
Meetings	Annual General Meetings
MICE	Meetings, Incentives, Conventions and Exhibitions
NABERS	National Australian Built Environment Rating System
NLA	Net Lettable Area
NCI	Non-Controlling Interest
NEDs	Non-Executive Directors
NKS	NKS Hospitality I B.V.
N.M.	Not Meaningful
NPI	Net Property Income
NRC(s)	Nominating and Remuneration Committee(s)
NRC Self-Assessment Checklist	Checklist to facilitate self-assessment of NRC’s effectiveness in the discharge of its role and responsibilities
NZ Hotel	Grand Millennium Auckland
NZICC	New Zealand International Convention Centre
OCI	Other Comprehensive Income
OH&S	Occupational Health and Safety
PBSA	Purpose-Built Student Accommodation

GLOSSARY PAGE

Perth Hotels	Portfolio hotels located in Perth consisting of Mercure Perth and Ibis Perth
Property Funds Appendix	Appendix 6 of the Code on Collective Investment Schemes
PV	Photovoltaic
RAP	Recommended Accounting Practice
REITAS	REIT Association of Singapore
Report	CDL Hospitality Trusts’ Sustainability Report
RevPAR	Revenue per Available Room
ROU	Right-Of-Use
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SDGs	United Nations Sustainable Development Goals
SFA	Securities and Futures Act 2001
SFR	Securities and Futures (Licensing and Conduct of Business) Regulations
SFRS(I) or SFRS(I)s	Singapore Financial Reporting Standards (International)
SGTI	Singapore Governance and Transparency Index
SGX	Singapore Exchange Limited
SGX-ST	Singapore Exchange Securities Trading Limited
SGX Listing Manual	Listing Manual of Singapore Exchange Securities Trading Limited
SIAS	Securities Investors Association (Singapore)
SID	Singapore Institute of Directors
SLL	Sustainability-linked facilities
Sponsor	Millennium & Copthorne Hotels Limited
sq m	square meters
SSAs	Singapore Standards on Auditing
Stapled Group	Stapled Group comprising the H-REIT Group and the HBT Group
Stapled Security(ies)	Stapled Unit(s) of H-REIT and HBT
Stapled Security Holders	Holders of Stapled Securities of CDLHT
Stapling Deed	The stapling deed dated 12 June 2006 (as amended from time to time)
STB	Singapore Tourism Board
SOPs	Standard Operating Procedures
SWC	Sustainability Working Committee
TCFD	Task Force on Climate-related Financial Disclosures
The Halcyon	The Halcyon Private Isles Maldives, Autograph Collection
TMK	Tokutei Mokuteki Kaisha
TOR	Terms of Reference
UK Hotels	Portfolio hotels located in United Kingdom consisting of Hilton Cambridge City Centre, The Lowry Hotel, voco Manchester – City Centre, and Hotel Indigo Exeter
UN SDGs	United Nations Sustainable Development Goals
W Hotel	W Singapore – Sentosa Cove

GLOSSARY PAGE

WALE	Weighted Average Lease Expiry
YOY or yoy	Year-on-Year

NOTICE OF ANNUAL GENERAL MEETINGS



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)

NOTICE OF ANNUAL GENERAL MEETINGS

NOTICE IS HEREBY GIVEN that the Annual General Meetings (“Meetings”) of the unitholders of CDL Hospitality Real Estate Investment Trust (“H-REIT”) and CDL Hospitality Business Trust (“HBT”) will be convened and held at Waterfront Ballroom, Level 2, Grand Copthorne Waterfront Hotel, 392 Havelock Road, Singapore 169663 on Friday, 24 April 2026 at 10.00 a.m. for the following business:

(A) AS ORDINARY BUSINESS

- 1. To receive the Report of M&C Business Trust Management Limited, as trustee-manager of HBT (the “HBT Trustee-Manager”), the Statement by the Chief Executive Officer of the HBT Trustee-Manager, the Report of DBS Trustee Limited, as trustee of H-REIT (the “H-REIT Trustee”), the Report of M&C REIT Management Limited, as manager of H-REIT (the “H-REIT Manager”, and together with the HBT Trustee-Manager, the “Managers”) and the Audited Financial Statements of HBT, H-REIT and CDL Hospitality Trusts (“CDLHT”) for the year ended 31 December 2025 and the Auditors’ Report thereon.

(Ordinary Resolution 1)

- 2. To re-appoint Messrs KPMG LLP as the Independent Auditors of H-REIT and HBT and to hold office until the conclusion of the next Annual General Meetings of H-REIT and HBT, and to authorise the H-REIT Manager and the HBT Trustee-Manager to fix their remuneration.

(Ordinary Resolution 2)

(B) AS SPECIAL BUSINESS

To consider and if thought fit, to pass with or without any modifications, the following resolution:

- 3. That authority be and is hereby given to the H-REIT Manager and the HBT Trustee-Manager, to
 - (a) (i) issue new units in H-REIT (“H-REIT Units”) and new units in HBT (“HBT Units”, together with H-REIT Units, the “Stapled Securities”) whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require Stapled Securities to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Stapled Securities, at any time and upon such terms and conditions and for such purposes and to such persons as the H-REIT Manager and the HBT Trustee-Manager may in their absolute discretion deem fit; and
- (b) issue Stapled Securities in pursuance of any Instruments made or granted by the H-REIT Manager and the HBT Trustee-Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force),

provided that:

- (1) the aggregate number of Stapled Securities to be issued pursuant to this Resolution (including Stapled Securities to be issued in pursuance of Instruments made or granted pursuant to this Resolution), shall not exceed fifty per cent (50%) of the total number of issued Stapled Securities (excluding treasury H-REIT Units and treasury HBT Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Stapled Securities to be issued other than on a *pro rata* basis to Stapled Security Holders shall not exceed twenty per cent (20%) of the total number of issued Stapled Securities (excluding treasury H-REIT Units and treasury HBT Units, if any) (as calculated in accordance with sub-paragraph (2) below);

NOTICE OF ANNUAL GENERAL MEETINGS

- (2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (“SGX-ST”) for the purpose of determining the aggregate number of Stapled Securities that may be issued under sub-paragraph (1) above, the total number of issued Stapled Securities (excluding treasury H-REIT Units and treasury HBT Units, if any) shall be based on the number of issued Stapled Securities (excluding treasury H-REIT Units and treasury HBT Units, if any) at the time this Resolution is passed, after adjusting for:
 - (a) any new Stapled Security arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and
 - (b) any subsequent bonus issue, consolidation or subdivision of Stapled Securities;
- (3) in exercising the authority conferred by this Resolution, the H-REIT Manager and the HBT Trustee-Manager shall comply with the provisions of the Listing Manual of SGX-ST for the time being in force (unless such compliance has been waived by SGX-ST), the Business Trusts Act 2004 of Singapore for the time being in force, the trust deed constituting H-REIT (as amended) (the “H-REIT Trust Deed”) for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore) and the trust deed constituting HBT (as amended) (the “HBT Trust Deed”) for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (4) (unless revoked or varied by the Stapled Security Holders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next Annual General Meetings of H-REIT and HBT or (ii) the date by which the next Annual General Meetings of H-REIT and HBT are required by law to be held, whichever is earlier;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Stapled Securities into which the Instruments may be converted, in the event of rights, bonus or other capitalisation issues or any other events, the H-REIT Manager and the HBT Trustee-Manager are authorised to issue additional Instruments or Stapled Securities pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments are issued; and
- (6) the H-REIT Manager, the H-REIT Trustee and the HBT Trustee-Manager be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the H-REIT Manager, the H-REIT Trustee or, as the case may be, the HBT Trustee-Manager may consider expedient or necessary or in the interest of H-REIT and HBT to give effect to the authority conferred by this Resolution.

(Ordinary Resolution 3)

(Please see Explanatory Note below)

AS OTHER BUSINESS

To transact such other business as may be transacted at the Meetings.

BY ORDER OF THE BOARD

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

Enid Ling Peek Fong
Soo Lai Sun
Company Secretaries

Singapore
25 March 2026

BY ORDER OF THE BOARD

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

Enid Ling Peek Fong
Soo Lai Sun
Company Secretaries

Singapore
25 March 2026

NOTICE OF ANNUAL GENERAL MEETINGS

Important Notice:

1. Format of Meetings

The Meetings will be held in a wholly physical format at Waterfront Ballroom, Level 2, Grand Copthorne Waterfront Hotel, 392 Havelock Road, Singapore 169663 on Friday, 24 April 2026 at 10.00 a.m. Stapled Security Holders, including Central Provident Fund (“CPF”) Supplementary Retirement Scheme (“SRS”) investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the Meetings by attending the Meetings in person. There will be no option for Stapled Security Holders to participate virtually.

Printed copies of this Notice and the accompanying Proxy Form and the Notification & Request Form are sent by post to Stapled Security Holders. These documents will also be published on CDLHT’s website at <https://investor.cdlht.com/agm-egm.html> and the SGX-ST website at <https://www.sgx.com/securities/company-announcements>.

2. Access to Documents

The Annual Report for the financial year ended 31 December 2025 and Audited Financial Statements of the HBT Trustee-Manager have been published and may be accessed at CDLHT’s website at <https://investor.cdlht.com/ar.html>.

The above documents may also be accessed on the SGX website at <https://www.sgx.com/securities/company-announcements>. Stapled Security Holders may request for printed copies of these documents in the following manner:

- (a) by completing and submitting the Notification & Request Form sent to them by post to the Stapled Security Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
- (b) by completing and submitting the Notification & Request Form via email to Stapled Security Registrar at CDLHT@boardroomlimited.com.

in either case, by no later than 5.00 p.m. on Wednesday, 1 April 2026.

3. Submission of Questions

Stapled Security Holders (including CPF and SRS investors) may submit substantial and relevant questions related to the resolutions to be tabled for approval at the Meetings, in advance of the Meetings, in the following manner:

- (a) via email to the Managers, at agm2026@cdlht.com; or
- (b) by post to CDL Hospitality Trusts, 390 Havelock Road, #02-06 King’s Centre, Singapore 169662.

When submitting questions, Stapled Security Holders should provide the following details for authentication: (a) their full name; (b) their NRIC/Passport Number; (c) their address; (d) number of Stapled Securities held; and (e) the manner in which the Stapled Securities are held (e.g., via CDP, CPF or SRS, and/or scrip based).

All questions must reach the Managers by **5.00 p.m. on Friday, 10 April 2026**.

The Managers will address substantial and relevant questions (which are related to the Annual Report and other agenda items set out in the Notice of Meetings) received from Stapled Security Holders in advance of the Meetings by publishing the Managers’ responses to such questions on CDLHT’s website at <https://investor.cdlht.com/agm-egm.html> and on SGX-ST website at <https://www.sgx.com/securities/company-announcements> on Friday, 17 April 2026.

Stapled Security Holders, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives can also ask substantial and relevant questions related to the resolutions to be tabled for approval at the Meetings, at the Meetings themselves.

NOTICE OF ANNUAL GENERAL MEETINGS

4. Appointment of Proxy(ies)

- (a) A Stapled Security Holder who is not a relevant intermediary (as defined below) is entitled to appoint not more than two proxies. Where such Stapled Security Holder’s proxy form appoints more than one proxy, the proportion of the stapled security holding concerned to be represented by each proxy shall be specified in the proxy form.
- (b) A Stapled Security Holder who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different stapled security or stapled securities held by such Stapled Security Holder. Where such Stapled Security Holder’s proxy form appoints more than two proxies, the number and class of stapled securities in relation to which each proxy has been appointed shall be specified in the proxy form.

“relevant intermediary” means:

- (i) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Stapled Securities in that capacity;
- (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore, and who holds Stapled Securities in that capacity; or
- (iii) the Central Provident Fund Board (“CPF Board”) established by the Central Provident Fund Act 1953 of Singapore, in respect of Stapled Securities purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Stapled Securities in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

A proxy need not be a Stapled Security Holder. A Stapled Security Holder may choose to appoint the Chairman of the Meetings as his/her/its proxy.

The proxy form must be submitted to the Managers in the following manner:

- (a) if submitted by post, be deposited at the office of the Stapled Security Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
- (b) if submitted electronically, via email to the Stapled Security Registrar at CDLHT@boardroomlimited.com,

in either case, by 10.00 a.m. on Wednesday, 22 April 2026, being not less than 48 hours before the time for holding the Meetings.

A Stapled Security Holder who wishes to submit a proxy form by post or via email can either use the printed copy of the proxy form which is sent to him/her/it by post or download a copy of the proxy form from CDLHT’s website or the SGX-ST website, and complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

Completion and return of the proxy form shall not preclude a Stapled Security Holder from attending and voting at the Meetings. Any appointment of a proxy or proxies shall be deemed to be revoked if a Stapled Security Holder attends the Meetings in person, and in such event, the H-REIT Manager and the HBT Trustee-Manager reserve the right to refuse to admit any person or persons appointed under the proxy form, to the Meetings.

CPF and SRS investors:

- (a) may vote at the Meetings if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
- (b) may appoint the Chairman of the Meetings as proxy to vote on their behalf at the Meetings, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on Friday, 10 April 2026.

NOTICE OF ANNUAL GENERAL MEETINGS

Explanatory Note on Ordinary Resolution 3:

The Ordinary Resolution 3 above, if passed, will empower the H-REIT Manager and the HBT Trustee-Manager from the date of the Meetings until the date of the next Annual General Meetings of H-REIT and HBT, to issue Stapled Securities and to make or grant Instruments (such as securities, warrants or debentures) convertible into Stapled Securities and issue Stapled Securities pursuant to such Instruments, up to a number not exceeding 50% of the total number of issued Stapled Securities (excluding treasury H-REIT Units and treasury HBT Units, if any) of which up to 20% of the total number of issued Stapled Securities (excluding treasury H-REIT Units and treasury HBT Units, if any) may be issued other than on a *pro rata* basis to Stapled Security Holders.

The Ordinary Resolution 3 above, if passed, will also empower the H-REIT Manager and the HBT Trustee-Manager from the date of the Meetings until the date of the next Annual General Meetings of H-REIT and HBT, to issue Stapled Securities as either full or partial payment of fees which the H-REIT Manager and the HBT Trustee-Manager are entitled to receive for their own accounts pursuant to the H-REIT Trust Deed and the HBT Trust Deed respectively.

For determining the aggregate number of Stapled Securities that may be issued, the percentage of issued Stapled Securities will be calculated based on the issued Stapled Securities at the time the Ordinary Resolution 3 above is passed, after adjusting for new Stapled Securities arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Stapled Securities.

Fund raising by issuance of new Stapled Securities may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Stapled Security Holders is required under the Listing Manual of SGX-ST and the H-REIT Trust Deed and the HBT Trust Deed or any applicable laws and regulations in such instances, the H-REIT Manager and the HBT Trustee-Manager will then obtain the approval of Stapled Security Holders accordingly.

PERSONAL DATA PRIVACY:

By (i) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meetings and/or any adjournment thereof, or (ii) submitting any questions prior to the Meetings in accordance with this Notice, a Stapled Security Holder consents to the collection, use and disclosure of the Stapled Security Holder's personal data by the H-REIT Manager and the HBT Trustee-Manager (or their agents or service providers) for the following purposes:

- (a) processing and administration by the H-REIT Manager and the HBT Trustee-Manager (or their agents or service providers) of proxies and representatives appointed for the Meetings (including any adjournment thereof);
- (b) preparation and compilation of the attendance lists, minutes and other documents relating to the Meetings (including any adjournment thereof);
- (c) addressing relevant and substantial questions from Stapled Security Holders received before the Meetings and if necessary, following up with the relevant Stapled Security Holders in relation to such questions; and
- (d) enabling the H-REIT Manager and the HBT Trustee-Manager (or their agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities,

and warrants that where the Stapled Security Holder discloses the personal data of the Stapled Security Holder's proxy(ies) and/or representative(s) to the H-REIT Manager or the HBT Trustee-Manager (or their agents), the Stapled Security Holder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the H-REIT Manager and the HBT Trustee-Manager (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the abovementioned purposes.

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)

PROXY FORM
ANNUAL GENERAL MEETINGS

IMPORTANT

1. The Annual General Meetings (the "Meetings") are being convened, and will be held at Waterfront Ballroom, Level 2, Grand Copthorne Waterfront Hotel, 392 Havelock Road, Singapore 169663 on Friday, 24 April 2026 at 10.00 a.m. ~~There will be no option for Stapled Security Holders to participate virtually.~~

2. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of proxy/proxies.

3. This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by Central Provident Fund ("CPF") and Supplementary Retirement Scheme ("SRS") investors. CPF and SRS investors (a) may vote at the Meetings if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or (b) may appoint the Chairman of the Meetings as proxy to vote on their behalf at the Meetings, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 10 April 2026.

4. By submitting a form appointing a proxy/proxies, the Stapled Security Holder accepts and agrees to the personal data privacy terms set out in the Notice of Meetings dated 25 March 2026.

I/We _____ (name)
with NRIC/Passport/Company Registration No. _____
of _____ (Address)
being a holder/s of units in CDL Hospitality Real Estate Investment Trust ("H-REIT") and CDL Hospitality Business Trust ("HBT") (collectively, "**Stapled Securities**"), hereby appoint:

Name	Address	NRIC / Passport Number	Proportion of Stapled Security Holdings	
			Number	%

and/or (delete as appropriate)

Name	Address	NRIC / Passport Number	Proportion of Stapled Security Holdings	
			Number	%

as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Meetings of H-REIT and HBT to be held at Waterfront Ballroom, Level 2, Grand Copthorne Waterfront Hotel, 392 Havelock Road, Singapore 169663 on Friday, 24 April 2026 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or abstain from voting on the resolutions to be proposed at the Meetings as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion.

No.	Resolution	No. of votes For ⁽¹⁾	No. of votes Against ⁽¹⁾	No. of votes Abstain ⁽²⁾
ORDINARY BUSINESS				
1.	Receipt of the HBT Trustee-Manager's Report, the Statement by the Chief Executive Officer of the HBT Trustee-Manager, the H-REIT Trustee's Report, the H-REIT Manager's Report and the Audited Financial Statements of HBT, H-REIT and CDL Hospitality Trusts for the year ended 31 December 2025 and the Auditors' Report thereon.			
2.	Re-appointment of KPMG LLP as the Independent Auditors and authorisation of the H-REIT Manager and the HBT Trustee-Manager to fix their remuneration.			
SPECIAL BUSINESS				
3.	Authority to issue Stapled Securities and to make or grant convertible instruments.			

Dated this _____ day of _____ 2026

Total number of Stapled Securities held

Signature(s) of Stapled Security Holder(s) or
Common Seal of Corporate Stapled Security Holder(s)

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM OVERLEAF

⁽¹⁾ Voting on all resolutions will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against", please indicate with an 'X' within the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution.
⁽²⁾ If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with an 'X' within the "Abstain" box provided in respect of that resolution.



Notes:

1. Please insert the total number of Stapled Securities held by you. If you have Stapled Securities entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Stapled Securities. If you have Stapled Securities registered in your name in the Register of Stapled Security Holders of CDLHT, you should insert that number of Stapled Securities. If you have Stapled Securities entered against your name in the said Depository Register and registered in your name in the Register of Stapled Security Holders of CDLHT, you should insert the aggregate number of Stapled Securities. If no number is inserted, this form of proxy will be deemed to relate to all the Stapled Securities held by you.
- (a) A Stapled Security Holder who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such Stapled Security Holder's proxy form appoints more than one proxy, the proportion of the stapled security holding concerned to be represented by each proxy shall be specified in the proxy form.

(b) A Stapled Security Holder who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different stapled security or stapled securities held by such Stapled Security Holder. Where such Stapled Security Holder's proxy form appoints more than two proxies, the number and class of stapled securities in relation to which each proxy has been appointed shall be specified in the proxy form.

"relevant intermediary" means:

(i) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Stapled Securities in that capacity;

(ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore, and who holds Stapled Securities in that capacity; or

(iii) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953 of Singapore, in respect of Stapled Securities purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Stapled Securities in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A proxy need not be a Stapled Security Holder.

4. The proxy form must be submitted to the H-REIT Manager and HBT Trustee-Manager in the following manner:
- (i) if submitted by post, be deposited at the office of the Stapled Security Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

(ii) if submitted electronically, via email to the Stapled Security Registrar at CDLHT@boardroomlimited.com,
- in either case, by 10.00 a.m. on 22 April 2026, being not less than 48 hours before the time for holding the Meetings. A Stapled Security Holder who wishes to submit a proxy form by post or via email can either use the printed copy of the proxy form which is sent to him/her/it by post or download a copy of the proxy form from CDLHT's website or the SGX-ST website, and complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
5. Completion and return of this proxy form shall not preclude a Stapled Security Holder from attending and voting at the Meetings. Any appointment of a proxy or proxies shall be deemed to be revoked if a Stapled Security Holder attends the Meetings in person, and in such event, the H-REIT Manager and HBT Trustee-Manager reserve the right to refuse to admit any person or persons appointed under this proxy form to the Meetings.
6. The proxy form must be signed by the appointor or his attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where a proxy form is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with the H-REIT Manager and the HBT Trustee-Manager) be lodged with the proxy form; failing which the proxy form may be treated as invalid.
8. The H-REIT Manager and the HBT Trustee-Manager shall be entitled to reject a proxy form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form (including any related attachment). In addition, in the case of a Stapled Security Holder whose stapled securities entered into the Depository Register, the H-REIT Manager and the HBT Trustee-Manager may reject any form of proxy lodged if the Stapled Security Holder, being the appointor, is not shown to have Stapled Securities entered against his/her name in the Depository Register as at 48 hours before the time appointed for holding the Meetings, as certified by The Central Depository (Pte) Limited to the H-REIT Manager and the HBT Trustee-Manager.
9. All Stapled Security Holders will be bound by the outcome of the Meetings regardless of whether they have attended or voted at the Meetings.

CDL Hospitality Trusts
(a Stapled Group comprising CDL Hospitality Real Estate Investment Trust
and CDL Hospitality Business Trust)

c/o The Stapled Security Registrar
Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

Affix
Stamp
Here

CORPORATE DIRECTORY

CDL HOSPITALITY TRUSTS

A Stapled Group comprising H-REIT, a real estate investment trust, and HBT, a business trust

MANAGER OF H-REIT
M&C REIT Management Limited
(Co. Reg. No. 200607091Z)

Registered Address:
9 Raffles Place
#12-01 Republic Plaza
Singapore 048619
Telephone: (65) 6877 8228
Facsimile: (65) 6225 4959

Office Address:
390 Havelock Road
#02-06 King's Centre
Singapore 169662
Telephone: (65) 6664 8888
Facsimile: (65) 6732 2868
Email: enquiries@cdlht.com
Website: www.cdlht.com

TRUSTEE-MANAGER OF HBT
M&C Business Trust Management Limited
(Co. Reg. No. 200607118H)

Registered Address:
9 Raffles Place
#12-01 Republic Plaza
Singapore 048619
Telephone: (65) 6877 8228
Facsimile: (65) 6225 4959

Office Address:
390 Havelock Road
#02-06 King's Centre
Singapore 169662
Telephone: (65) 6664 8888
Facsimile: (65) 6732 2868
Email: enquiries@cdlht.com
Website: www.cdlht.com

**DIRECTORS OF THE MANAGER OF H-REIT
AND THE TRUSTEE-MANAGER OF HBT**
Chan Soon Hee, Eric
Chairman and Independent Non-Executive Director

Vincent Yeo Wee Eng
Chief Executive Officer and Executive Director

Cheah Sui Ling
Independent Non-Executive Director

Kwek Eik Sheng
Non-Independent Non-Executive Director

Eng Chin Chin
Independent Non-Executive Director

Richard Anthony Johnson
Independent Non-Executive Director

**AUDIT AND RISK COMMITTEE OF THE MANAGER OF
H-REIT AND THE TRUSTEE-MANAGER OF HBT**
Eng Chin Chin (Chairman)
Cheah Sui Ling
Richard Anthony Johnson

**NOMINATING AND REMUNERATION COMMITTEE
OF THE MANAGER OF H-REIT AND THE TRUSTEE-
MANAGER OF HBT**
Chan Soon Hee, Eric (Chairman)
Cheah Sui Ling
Eng Chin Chin

**BOARD SUSTAINABILITY COMMITTEE OF THE
MANAGER OF H-REIT AND THE TRUSTEE-MANAGER
OF HBT**
Cheah Sui Ling (Chairman)
Vincent Yeo Wee Eng
Chan Soon Hee, Eric

TRUSTEE OF H-REIT
DBS Trustee Limited
12 Marina Boulevard
Level 44 DBS Asia Central
Marina Bay Financial Centre Tower 3
Singapore 018982
Telephone: (65) 6878 8888
Facsimile: (65) 6878 3977

AUDITORS
KPMG LLP
Public Accountants and Chartered Accountants
12 Marina View
#15-01 Asia Square Tower 2
Singapore 018961
(Partner-in-charge: Karen Lee Shu Pei,
appointment commenced from the audit of
the financial statements for the year ended
31 December 2021)

STAPLED SECURITY REGISTRAR
Boardroom Corporate & Advisory Services Pte Ltd
1 Harbourfront Avenue
Keppel Bay Tower #14-07
Singapore 098632
Telephone: (65) 6536 5355
Facsimile: (65) 6536 1360

LEGAL ADVISER
Allen & Gledhill LLP
One Marina Boulevard #28-00
Singapore 018989
Telephone: (65) 6890 7188
Facsimile: (65) 6327 3800

**COMPANY SECRETARIES OF THE MANAGER OF
H-REIT AND THE TRUSTEE-MANAGER OF HBT**
Enid Ling Peek Fong
Soo Lai Sun



CDL HOSPITALITY TRUSTS

M&C REIT Management Limited

(As Manager of CDL Hospitality Real Estate Investment Trust)
and

M&C Business Trust Management Limited

(As Trustee-Manager of CDL Hospitality Business Trust)

390 Havelock Road
#02-06 King's Centre
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