



CAPITALAND ASCOTT TRUST

A stapled group comprising:

CapitaLand Ascott Real Estate Investment Trust

(A real estate investment trust constituted on 19 January 2006 under the laws of the Republic of Singapore)

CapitaLand Ascott Business Trust

(A business trust constituted on 9 September 2019 under the laws of the Republic of Singapore)

Managed by

CapitaLand Ascott Trust Management Limited

(Company Registration No. 200516209Z)

Managed by

CapitaLand Ascott Business Trust Management Pte. Ltd.

(Company Registration No. 201925299R)

ANNOUNCEMENT

EXTENSION OF THE TERM OF THE HOTEL MANAGEMENT AGREEMENT IN RELATION TO THE CAVENDISH LONDON

1. INTRODUCTION

CapitaLand Ascott Trust Management Limited (as manager of CapitaLand Ascott Real Estate Investment Trust ("**CapitaLand Ascott REIT**", and the manager, the "**REIT Manager**") and CapitaLand Ascott Business Trust Management Pte. Ltd. (as trustee-manager of CapitaLand Ascott Business Trust ("**CapitaLand Ascott BT**"), as the managers (the "**Managers**") of CapitaLand Ascott Trust ("**CLAS**") refer to the announcement of CLAS dated 9 October 2023 in relation to, amongst others, the proposed acquisition of a 100.0% interest in The Cavendish London (the "**Acquisition Announcement**"). Capitalised terms used herein, unless otherwise defined, shall have the meaning ascribed to them in the Acquisition Announcement.

Following completion of the Cavendish Share Acquisition, the Cavendish PropCo entered into a hotel management agreement with the Ascott Hospitality Management (UK) Limited (the "**Cavendish Operator**") in relation to The Cavendish London (the "**Cavendish Management Agreement**"), the principal terms of which are disclosed in the Acquisition Announcement. The Managers wish to announce that the Cavendish PropCo and the Cavendish Operator have by way of a supplemental agreement agreed to extend the initial term of the Cavendish Management Agreement for an additional period of five (5) years (the "**HMA Extension**").

2. DETAILS OF THE HMA EXTENSION

2.1 The HMA Extension

Pursuant to the HMA Extension, the initial term of the Cavendish Management Agreement will be extended for an additional period of 5 years, bringing the initial term of the Cavendish Management Agreement to a total of 35 years, with all other terms and conditions of the Cavendish Management Agreement remaining the same (including, for avoidance of doubt, the fees payable to the Cavendish Operator as disclosed in the Acquisition Announcement) and having been approved by the holders of the stapled securities in CLAS (“**Stapled Securityholders**”) at the extraordinary general meeting of CLAS convened and held on 24 October 2023.

The terms of the Cavendish Management Agreement requiring the Cavendish Operator to contribute 50% of the costs of the renovation and rebranding of The Cavendish London (see paragraph 3.5.1(B) of the Acquisition Announcement), with the remaining balance 50% to be borne by CLAS, remain unchanged. However, as the estimated costs of the renovation and rebranding are expected to increase from GBP55.0 million to GBP77.3 million due to: (i) regulatory amendments in 2024 to UK building codes impacting the design, (ii) remediation of latent site conditions which became evident only upon invasive work, and (iii) higher-than-expected inflationary pressures within the construction industry, the Managers wish to disclose that the Cavendish Operator will contribute an additional estimated GBP11.1 million (“**Key Money**”).

After taking into account the higher renovation and capitalised costs, the post-renovation stabilised earnings before interest, taxes, depreciation and amortisation (“**EBITDA**”) yield of The Cavendish London is expected to be 6.1%¹. The valuation of The Cavendish London after the renovation on a stabilised basis remains unchanged at GBP316.0 million.

2.2 Rationale for and Benefits of the HMA Extension

The Managers believe that the HMA Extension will benefit the Stapled Securityholders of CLAS given the experience and expertise of the Cavendish Operator and the HMA Extension will further ensure that the Property will provide CLAS with income taking into account the minimum guaranteed income under the terms of the Cavendish Management Agreement.

The Managers appointed HVS Europe Ltd to review the terms of the HMA Extension. Their report, issued on 31 October 2025 (“**HVS Report**”), states that they consider that the HMA (including the HMA Extension) remains beneficial to CLAS and, on a present value basis, appears more advantageous to CLAS given the higher Key Money relative to the incremental fees arising from the HMA Extension.

¹ Based on stabilised EBITDA before Furniture, Fixtures, and Equipment reserves over The Cavendish London’s agreed property value (GBP215.0 million) in 2023, revised capitalised costs (GBP12.3 million) and renovation costs attributable to CLAS (GBP38.6 million). The EBITDA figures are from the HVS Europe Ltd valuation carried out in 2023.

3. DISCLOSURE REQUIREMENTS

As at the date of this announcement, CapitaLand Investment Limited (“**CLI**”), through its wholly owned subsidiaries (including its interest in each of the Managers), has an aggregate deemed interest in 946,324,171 stapled securities in CLAS (“**Stapled Securities**”), representing approximately 24.70% of the total number of Stapled Securities in issue¹, and is therefore regarded as a Controlling Stapled Securityholder of CLAS under the Listing Manual.

In addition, as the Managers are each a wholly owned subsidiary of CLI, CLI is therefore regarded as a Controlling Shareholder² of each of the Managers under the Listing Manual.

For the purposes of Chapter 9 of the Listing Manual, the Cavendish Operator, being an indirect wholly owned subsidiary of The Ascott Limited, which is a wholly owned subsidiary of CLI, is considered an associate³ of CLI (which is a Controlling Stapled Securityholder of CLAS and a Controlling Shareholder of each of the Managers) and therefore (for the purpose of the Listing Manual) an “interested person” of CLAS.

Accordingly, the HMA Extension constitutes as an “interested person transaction” under Chapter 9 of the Listing Manual. The HMA Extension and the increase in Key Money (based on the current estimate), when aggregated with the existing interested person transactions with CLI and its subsidiaries and associates (the “**CLI Group**”) for the current financial year, would exceed 3% of the latest audited net tangible asset of CLAS and accordingly under Rule 905 of the Listing Manual, the Managers must make an announcement of the HMA Extension and the increase in Key Money.

4. TOTAL VALUE OF INTERESTED PERSON TRANSACTIONS

As at the date of this announcement:

- (i) the aggregate value of all the interested person transactions entered into between CLAS and the CLI Group during the course of the current financial year (including the value of the HMA Extension and the increase in Key Money but excluding any transaction with a value of less than S\$100,000) is approximately S\$340.4 million; and
- (ii) the aggregate value of all the interested person transactions entered into between CLAS and all interested persons during the course of the financial year (including the value of the HMA Extension and increase in Key Money but excluding any transaction with a value of less than S\$100,000) is approximately S\$343.2 million.

The aggregate value of all the interested person transactions entered into between CLAS and the CLI Group during the course of the current financial year including the value of the HMA Extension and the increase in Key Money but excluding (i) any transaction which has

1 Based on a total number of 3,831,130,655 Stapled Securities in issue as at the date of this announcement.

2 A person who: (a) holds directly or indirectly, 15.0% or more of the total voting rights in the company. The SGX-ST may determine that such a person is not a controlling shareholder; or (b) in fact exercises control over a company.

3 For the purposes of the Listing Manual, in the case of a company and in relation to a controlling shareholder (being a company), an “associate” means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.

been approved by the Stapled Securityholders¹ and (ii) any transaction with a value of less than S\$100,000, is less than 3% of CLAS net tangible assets.

5. OPINION OF THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee has considered the terms of the HMA Extension, the rationale for the HMA Extension and the HVS Report, and is of the view that HMA Extension is on normal commercial terms and is not prejudicial to the interests of CLAS and its minority Stapled Securityholders.

6. CHANGE OF USE OF PROCEEDS FROM THE 2023 EQUITY FUND RAISING²

The Managers intend to finance the remaining 50% borne by CLAS for the renovation and rebranding, and other costs for The Cavendish London with approximately S\$78.4 million remaining of the S\$82.8 million intended to finance CLAS' estimated costs for the proposed extension and renovation of a hotel in Australia, Sydney Central Hotel (formerly known as Novotel Sydney Central). The Managers have decided to redeploy such amounts to finance the renovation and rebranding costs of The Cavendish London to optimise the use of capital, as the renovation and rebranding costs for The Cavendish London is required to be paid prior to that of Sydney Central Hotel.

BY ORDER OF THE BOARD

CAPITALAND ASCOTT TRUST MANAGEMENT LIMITED

(Company Registration No. 200516209Z)

As manager of CapitaLand Ascott Real Estate Investment Trust

CAPITALAND ASCOTT BUSINESS TRUST MANAGEMENT PTE. LTD.

(Company Registration No. 201925299R)

As trustee-manager of CapitaLand Ascott Business Trust

Hon Wei Seng
Lee Wei Hsiung
Company Secretaries
31 December 2025

¹ Such transaction being the Proposed Divestment of Citadines Central Shinjuku Tokyo described in the Circular dated 8 September 2025, approved by Stapled Securityholders on 26 September 2025 and completed on 2 October 2025.
² Please refer to the announcement dated 3 August 2023 and titled "Results of the Private Placement and pricing of New Stapled Securities under the Private Placement and the Preferential Offering" in relation to the private placement and preferential offering which was launched on 2 August 2023 (the "**2023 Equity Fund Raising**", and the announcement, the "**3 August 2023 Announcement**").

Important Notice

The past performance of CapitaLand Ascott Trust (“**CLAS**”) is not indicative of future performance. The listing of the stapled securities in CLAS (the “**Stapled Securities**”) on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) does not guarantee a liquid market for the Stapled Securities. The value of the Stapled Securities and the income derived from them may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, CapitaLand Ascott Trust Management Limited as manager of CapitaLand Ascott Real Estate Investment Trust or CapitaLand Ascott Business Trust Management Pte. Ltd. as trustee-manager of CapitaLand Ascott Business Trust (collectively, the “**Managers**”) or any of their respective affiliates. An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed on the SGX-ST. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on the SGX-ST.

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