

FRASERS HOSPITALITY TRUST
MINUTES OF THE ANNUAL GENERAL MEETING
HELD ON WEDNESDAY, 19 JANUARY 2022, AT 10.00 A.M.
BY WAY OF ELECTRONIC MEANS

Present: Stapled Securityholders

Present by way of electronic means:

As per attendance list

In attendance: Directors of Frasers Hospitality Asset Management Pte. Ltd., as manager of Frasers Hospitality Real Estate Investment Trust (“FH-REIT”, and the manager of FH-REIT, the “REIT Manager”) and Frasers Hospitality Trust Management Pte. Ltd., as trustee-manager of Frasers Hospitality Business Trust (“FH-BT”, and the trustee-manager of FH-BT, the “Trustee-Manager”, and together with the REIT Manager, the “Managers”)

Present in person:

Mr Law Song Keng, Chairman

Present by way of electronic means:

Mr Chua Phuay Hee

Mr Liew Choon Wei

Dr David Wong See Hong

Mr Panote Sirivadhanabhakdi

Executive Officers of the Managers

Present in person:

Ms Eu Chin Fen, Chief Executive Officer

Present by way of electronic means:

Mr Eric Gan, Chief Financial Officer

Company Secretary of the Managers

Present in person:

Ms Catherine Yeo

Representatives from Perpetual (Asia) Limited, as trustee of FH-REIT, and KPMG LLP, as External Auditors of Frasers Hospitality Trust

Present by way of electronic means:

As per attendance list

1. Introduction

- 1.1 Prior to the commencement of the Annual General Meeting (“**AGM**” or the “**Meeting**”), Ms Catherine Yeo (“**Ms Yeo**”), Company Secretary of the Managers, informed the Meeting that Perpetual (Asia) Limited, as trustee of FH-REIT (the “**Trustee**”), and Frasers Hospitality Trust Management Pte. Ltd., as trustee-manager of FH-BT, have each nominated Mr Law Song Keng (the “**Chairman**”), to preside as the Chairman of the Meeting. In accordance with the trust deeds constituting FH-BT and FH-REIT (and the stapled group Frasers Hospitality Trust comprising FH-BT and FH-REIT, “**FHT**”) dated 20 June 2014 (as amended, supplemented and restated) (the “**FH-BT Trust Deed**”) and 14 June 2014 (as amended, supplemented and restated) (the “**FH-REIT Trust Deed**”) respectively, Mr Law Song Keng presided as the Chairman of the Meeting. Noting that Boardroom Corporate & Advisory Services Pte. Ltd., the Stapled Security Registrar, had informed that there was a sufficient number of verified stapled securityholders of FHT (“**Stapled Securityholders**”, and the stapled securities held by Stapled Securityholders, “**Stapled Securities**”) who were attending the Meeting electronically such that the requisite quorum for the Meeting had been met, Ms Yeo invited the Chairman to proceed with the Meeting.
- 1.2 The Chairman welcomed Stapled Securityholders to the Meeting and informed them that, as a precautionary measure due to the current COVID-19 situation in Singapore, the AGM was conducted via electronic means pursuant to the COVID-19 (Temporary Measures) Act 2020 and the related order on the alternative arrangements for general meetings. Stapled Securityholders accessing the AGM electronically would be treated as present and may be named in the attendance lists. The Chairman requested Stapled Securityholders to bear with any technical issues or disruptions. The Chairman, on behalf of the board of directors (the “**Board**”) and the management team of the Managers, thanked all Stapled Securityholders for taking the time to pre-register for the Meeting.
- 1.3 As stated in the Managers’ announcement which sets out the alternative arrangements for the conduct of the Meeting published on the corporate website of Frasers Hospitality Trust and on SGXNet dated 20 December 2021 (the “**Announcement**”), the Chairman noted that Stapled Securityholders could submit questions in advance of or “live” at the Meeting. The Chairman informed that no questions were received from Stapled Securityholders as at the deadline specified in the Announcement, but FHT had received certain questions from the Securities Investors Association (Singapore) and published the responses to those questions on the corporate website of FHT and on SGXNet on 14 January 2022. The Chairman informed that the Managers would endeavour to address the substantial and relevant questions received after the deadline, as well as those received “live” at the Meeting. The Chairman further informed Stapled Securityholders that questions received from Stapled Securityholders may be moderated and/or consolidated if substantially similar questions are received and the Managers would not be addressing questions which have been addressed in the published

responses. The Chairman informed that Stapled Securityholders who wished to raise any questions “live” during the Meeting should submit them via the AGM@Convene platform, and that the questions would be addressed at the appropriate time during the Meeting. The Chairman then invited Stapled Securityholders to view a video on how to submit questions “live” during the Meeting via the AGM@Convene platform.

- 1.4 The Chairman introduced the members of the Board and senior executives of the Managers who were present at the Meeting. Following the Chairman’s introduction of the Board and senior executives of the Managers, the Chairman thanked the representatives of the Trustee and KPMG LLP, the auditors of FHT, who were attending the Meeting remotely.
- 1.5 The Chairman noted that, as stated in the Announcement, Stapled Securityholders must appoint the Chairman of the Meeting as their proxy if they wish to exercise their voting rights at the Meeting. Stapled Securityholders had been advised to submit their votes by completing the proxy form circulated to Stapled Securityholders on 20 December 2021 (the “**Proxy Form**”) to appoint the Chairman of the Meeting as proxy to vote on their behalf. Mr Law Song Keng, in his capacity as Chairman of the Meeting and as proxy for Stapled Securityholders, then proposed all the resolutions to be tabled at the Meeting and informed that he would vote, or abstain from voting, on behalf of Stapled Securityholders, in accordance with their specified instructions in their respective Proxy Forms for each of the motions to be tabled at the Meeting. The voting on all resolutions tabled at the Meeting would be conducted by poll. The Chairman further noted that Proxy Forms submitted 48 hours before the Meeting had been checked, and the number of votes for, against and abstentions from voting on each motion had been verified by RL Law LLC, the scrutineer for the Meeting.
- 1.6 The Chairman noted that the Notice of Annual General Meeting dated 20 December 2021 (the “**Notice of AGM**”), the Proxy Form, the Announcement and the annual report for the financial year ended 30 September 2021 (“**FY2021**”, and the annual report for FY2021, the “**Annual Report**”) were published on the corporate website of FHT and on SGXNet on 20 December 2021. Printed copies of the Notice of AGM and Proxy Form were also despatched to all Stapled Securityholders for their convenience.
- 1.7 The Chairman then briefly went through the contents of the Annual Report. The Notice of AGM was taken as read.
- 1.8 The Chairman noted that Resolutions 1, 2 and 3 as found in the Notice of AGM are ordinary resolutions, and explained that an ordinary resolution is passed if more than 50% of the total number of votes cast for and against the resolution are cast in its favour.
- 1.9 Before proceeding to the resolutions, the Chairman invited Ms Eu Chin Fen, the Chief Executive Officer of the Managers (the “**CEO**”), to give a short presentation summarising the key highlights and performance of FHT in FY2021, and noted that a copy of the presentation had also been uploaded on the corporate website of FHT and on SGXNet on the morning of 19 January 2022.
- 1.10 The Chairman thanked the CEO for her presentation and proceeded to introduce the motions to be tabled at the Meeting, as set out in the Notice of AGM.

2. Ordinary Resolution 1:

To receive and adopt the Trustee-Manager's Report, the Trustee-Manager's Statement, the Statement by the Chief Executive Officer of the Trustee-Manager, the REIT Trustee's Report, the REIT Manager's Statement and the Audited Financial Statements of FHT, FH-BT and FH-REIT for the financial year ended 30 September 2021 and the Auditor's Report thereon

- 2.1 The Chairman introduced Resolution 1 as set out in the Notice of AGM, as follows:

"Resolution 1 seeks Stapled Securityholders' approval to receive and adopt the Report of the Trustee-Manager, the Statement by the Trustee-Manager, the Statement by the Chief Executive Officer of the Trustee-Manager, the Report of the Trustee, the Statement by the Manager and the Audited Financial Statements of Frasers Hospitality Trust, Frasers Hospitality Business Trust and Frasers Hospitality Real Estate Investment Trust for the financial year ended 30 September 2021 and the Auditors' Report thereon."

- 2.2 The full text of Resolution 1, as set out in the Notice of AGM, was taken as read.

3. Ordinary Resolution 2:

To re-appoint KPMG LLP as Auditors of FHT comprising FH-REIT and FH-BT to hold office until the conclusion of the next Annual General Meeting of FHT, and to authorise the REIT Manager and the Trustee-Manager to fix their remuneration

- 3.1 The Chairman introduced Resolution 2 set out in the Notice of AGM, as follows:

"Resolution 2 seeks Stapled Securityholders' approval for the re-appointment of KPMG LLP as the Auditors of Frasers Hospitality Trust to hold office until the conclusion of the next Annual General Meeting, and authorisation for the REIT Manager and Trustee-Manager to fix their remuneration."

- 3.2 The Chairman further informed that the Audit, Risk and Compliance Committee of the Managers, with the Board's endorsement, had nominated KPMG LLP for re-appointment as auditors of FHT, and that KPMG LLP had expressed their willingness to accept the re-appointment.

- 3.3 The full text of Resolution 2, as set out in the Notice of AGM, was taken as read.

4. Ordinary Resolution 3:

To authorise the REIT Manager and the Trustee-Manager to issue Stapled Securities and to make or grant convertible instruments

- 4.1 The Chairman invited Ms Yeo to explain Resolution 3, as follows:

"This Resolution seeks Stapled Securityholders' approval to authorise the Managers to issue Stapled Securities and/or to make or grant instruments which are 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 Stapled Securities if any), of which up to 20% may be issued other than on a pro rata basis to Stapled Securityholders. The mandate, if approved and unless revoked or varied, shall be effective from the date of this Meeting until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting is required by applicable law or regulations to be held, whichever is earlier. The basis of calculating the number of Stapled Securities that may be issued is described in the full text of this Resolution and the Explanatory Notes to this Resolution in the Notice of Annual General Meeting."

- 4.2 The full text of Resolution 3 and the Explanatory Notes to the Resolution, as set out in the Notice of AGM, were taken as read.

5. **Key Questions and Answers**

- 5.1 The Chairman informed the Meeting that the Managers would now be addressing the substantial and relevant questions received prior to the Meeting and which had not been addressed earlier, as well as those received "live" during the Meeting via the AGM@Convene platform.
- 5.2 The first question was whether the Managers were satisfied with the current level of fixed interest rate borrowings of FHT and whether they would consider swapping more of FHT's floating rate loans to fixed rate loans in view of the current interest rate environment. Mr Eric Gan, the Chief Financial Officer of the Managers (the "CFO") responded that the Managers are comfortable with FHT's current composition of fixed rate loans of 77.2%. The remainder, which largely comprises the term loan of AUD120 million with Australia and New Zealand Banking Group Limited (the "ANZ Loan"), will be repaid with the net proceeds from the divestment of Sofitel Sydney Wentworth (the "Divestment"). The CFO informed that the fixed rate composition of FHT would rise close to 88% after the repayment of the ANZ Loan, and that FHT would be well covered against potential interest rate hikes this year.
- 5.3 The second question pertained to any potential cashflow or solvency issues faced by FHT, especially with the current extended period of the COVID-19 pandemic. The Chairman responded that FHT's financial position is stable. The CFO added that the Managers are mindful of the solvency of FHT, and highlighted that FHT has signed master leases with its sponsor for 13 of the 15 properties owned by FHT. Under this structure, FHT receives a minimum fixed rent of approximately S\$52 million on a per annum basis, and S\$58 million if the minimum fixed rent for Maritim Hotel Dresden is included. The CFO informed that the minimum fixed rent received from the sponsor would be more than sufficient to pay the operating and trust expenses. Notwithstanding the impact from the ongoing COVID-19 situation, FHT was able to meet its financial obligations and provided a distribution of close to S\$0.01 to Stapled Securityholders in FY2021. The CFO added that the asset management team had been proactive in managing the portfolio. They undertook swift cost containment measures to conserve liquidity at the property and REIT levels, explored alternative sources of revenue such as quarantine/isolation business in Singapore and Australia, and worked with operators to provide value-add services to streamline processes and ensure operational efficiency. The Divestment also allowed FHT to pare down the ANZ Loan. The CFO noted that if FHT were to use the full proceeds of approximately S\$270 million to pare down loans (including the ANZ Loan), FHT's leverage ratio would decrease from 42% to 34.5%. Following the repayment of

the ANZ Loan, FHT would still retain around S\$150 million in liquidity, which provides for a strong financial and liquidity position.

- 5.4** The third question was on the gearing level of FHT following the Divestment and the receipt of the sale proceeds from the Divestment. The CEO responded that the gearing level would decrease to 34.5% if the proceeds are fully utilised to pay down loans.
- 5.5** The fourth question related to the Managers' plans for FHT to acquire new hotels, in light of the lower gearing level expected after the Divestment. The CEO responded that the Managers would continue to look for acquisition opportunities to deliver growth for FHT. The current focus would be on recovery, as the team prepares to increase market share once the market recovers. The CEO added that the Managers would be examining whether there are any assets with asset level value to unlock in line with market cycles, and explore assets in gateway cities with strong market fundamentals and good macro locations as the market recovers. The Chairman noted the severe impact of the COVID-19 pandemic on the tourism industry and highlighted that the Managers had done their best under very challenging circumstances. He added that there were signs of recovery in recent months but FHT would remain cautiously optimistic as the COVID-19 situation continues to evolve.
- 5.6** The fifth question pertained to the plans of the Board and Management of FHT and the prospects of FHT in light of the falling distribution per Stapled Security and net asset value of FHT, the impact of the COVID-19 pandemic, and FHT not delivering on growth. The CEO responded that FHT's key markets had experienced soft market conditions prior to the COVID-19 pandemic. Singapore was experiencing excess supply, Malaysia was experiencing political unrest and a significant downturn in the oil and gas industry, and the United Kingdom was experiencing a setback due to Brexit. Sydney and Japan markets saw some growth, but growth in Melbourne and Dresden markets was modest. Weak market conditions, compounded by the strengthening of the Singapore dollar against most foreign currencies, impacted the performance of FHT. While it is essential to reduce the staff strength at the properties to cut costs to tide through the pandemic, it is important to take care of staff morale at the properties, so that FHT is well-positioned for market recovery. The CEO also noted that, while exploring alternative sources of revenue, FHT would continue to prioritise safety and cut costs responsibly and meaningfully, to give FHT the flexibility to drive longer-term cost efficiency. Post-recovery, market segments and demand may change at each of the localities and FHT will have the opportunity to re-position its assets. The CEO added that the properties owned by FHT have strong fundamentals, as well as strong support from international hospitality chains. A shift in the markets would allow FHT to have the opportunity to explore asset enhancement initiatives and unlock value in the assets.
- 5.7** The last question was whether FHT would consider issuing vouchers to Stapled Securityholders to boost the growth and revenue of the properties. The CEO responded that FHT has been working closely with operators and the property teams on ways to seek more revenue streams during this pandemic and would discuss this initiative with the respective teams.

6. Voting and Declaration of Results

- 6.1** The Chairman, having introduced and explained all the motions to be tabled at the Meeting, proceeded to put Resolutions 1, 2 and 3 to vote by poll. The results of the polls on each of the Resolutions were as follows:

Resolution 1

For		Against	
No. of Stapled Securities	%	No. of Stapled Securities	%
1,258,546,255	99.92%	949,044	0.08%

Resolution 2

For		Against	
No. of Stapled Securities	%	No. of Stapled Securities	%
1,258,169,475	99.86%	1,758,624	0.14%

Resolution 3

For		Against	
No. of Stapled Securities	%	No. of Stapled Securities	%
1,256,891,044	99.76%	3,037,055	0.24%

- 6.2** Based on the results of the poll, the Chairman declared Resolutions 1, 2 and 3 as carried.

7. Closure

- 7.1** The Chairman thanked the Stapled Securityholders for their attendance and support on behalf of the Board and the management team of the Managers, and declared the Meeting closed at 10.40 a.m.

CONFIRMED BY,
MR LAW SONG KENG
CHAIRMAN OF MEETING