

FRASERS HOSPITALITY TRUST INCREASES DPS TO 0.7039 CENTS FOR 1H FY2022

Singapore, 29 April 2022 – Frasers Hospitality Trust (“FHT”), a stapled group comprising Frasers Hospitality Real Estate Investment Trust (“FH-REIT”) and Frasers Hospitality Business Trust (“FH-BT”), today announced the financial results for the first half of the financial year ended 31 March 2022 (“1H FY2022”).

Financial Highlights

S\$ million	1H FY2022	1H FY2021	YoY Variance	2H FY2021	HoH Variance
Gross revenue (“GR”)	44.1	39.9	10.4%	45.6	(3.3%)
Net property income (“NPI”)	31.7	26.7	18.4%	30.9	2.5%
Income available for distribution (“DI”)	15.1	8.6	75.0%	12.4	21.2%
Distribution to Stapled Securityholders	13.6 ¹	3.4 ²	>100%	15.5 ³	(12.5%)
Distribution per Stapled Security (“DPS”) (cents)	0.7039	0.1790	>100%	0.8041	(12.5%)

1H FY2022 Portfolio Performance

FHT’s GR grew by 10.4% year-on-year YoY (“YoY”) with improved performance in the first quarter of FY2022, partially offset by the adverse impact of the Omicron variant on the portfolio’s performance in the second quarter of FY2022.

The higher YoY GR, coupled with lower operating cost due to optimised cost management, boosted FHT’s NPI in 1H FY2022. Consequently, FHT recorded DI of S\$15.1 million, an improvement of 75.0% YoY, in 1H FY2022.

While the ongoing pandemic continues to affect the travel and hospitality industry, FHT saw improvements in its operating environment in 1H FY2022 following the relaxation of travel restrictions and widespread vaccination, compared to the same period a year ago when many countries remained under tight travel restrictions which had dampened global travel demand. The recovery pace continues to vary across geographies and FHT has observed a gradual uptick in demand and performance in some markets.

¹ Distribution to Stapled Securityholders in 1H FY22 are based on 90% payout of the income available for distribution.

² Distribution in 1H FY21 at 40% payout with remaining balance to be distributed in 2H FY21. Proposed 40% payout is net of potential Malaysia tax issues and 10% retention for working capital

³ Distribution to Stapled Securityholders for 2H FY21 included approximately SGD 4.3m of the SGD 5.2m DI retained in 1H FY2021

Given continued uncertainties arising from the ongoing COVID-19 pandemic and political instability due to the recent Ukraine crisis, S\$1.5 million or approximately 10% of DI has been retained for working capital purposes. This led to a DPS of 0.7039 cents for 1H FY2022, an increase of over 100% YoY.

Ms Eu Chin Fen, Chief Executive Officer of FHT said, “The emergence of the Omicron variant and ensuing surge in COVID-19 cases globally in earlier months this year have dampened travel sentiments and consequently, the recovery pace of our portfolio slowed in the second quarter as travel restrictions retightened. We believe that the recovery trajectory will resume following the retreat of the Omicron wave as countries transit to the endemic phase with re-opened borders and lifted restrictions. However, we anticipate the recovery trajectory to remain bumpy due to headwinds from inflationary pressures as a result of continued supply chain disruptions, rising energy, commodity and labour costs, leading to the potential risk of an economic slowdown.”

1H FY2022 Portfolio Update

Singapore

In the second half of 2021, Singapore Tourism Board recorded 221,350 international visitor arrivals, up by over 100% YoY, with the highest arrivals recorded in December 2021 since the start of the pandemic.⁴ To facilitate further resumption of travel, Singapore has introduced the Vaccinated Travel Framework on 1 April 2022 to replace the existing Vaccinated Travel Lane arrangements to allow vaccinated travellers to enter Singapore quarantine-free.⁵

The Singapore portfolio recorded higher average daily rate (“**ADR**”) and occupancy rate YoY, which in turn lifted revenue per available room (“**RevPAR**”) by 15.3% YoY in 1H FY2022. This was mainly supported by InterContinental Singapore’s government quarantine business from October to December 2021 and Fraser Suites’ long-stay business. Consequently, FHT’s Singapore portfolio reported YoY increase in gross operating revenue (“**GOR**”) and gross operating profit (“**GOP**”) of 9.0% and 23.1% respectively.

Australia

According to Tourism Australia, international tourist arrivals in the second half of 2021 grew YoY by over 100% to 506,900.⁶ In New South Wales and Victoria, lockdown restrictions have been lifted for its vaccinated population after October 2021.⁷

In 2H FY2021, FHT’s Australia portfolio’s occupancy declined by 12.4 percentage points (“**ppts**”) YoY to 28.1%. Despite a YoY increase in ADR, the portfolio’s RevPAR dropped by 6.5% YoY. The decline in occupancy was mainly due to the emergence of the Omicron variant towards the end of December 2021 and the end of government quarantine business in Novotel Melbourne on Collins and Sofitel Sydney Wentworth in December 2021 and February 2022 respectively. The Australia portfolio’s GOR and GOP increased by 13.1% and 7.2% YoY respectively.

United Kingdom (“**UK**”)

The UK has fully lifted its COVID-19 pandemic restrictions since February 2022 and the remaining international travel restrictions in March 2022 as part of the government’s “Living with COVID” plan following its retreat from the Omicron peak.⁸

⁴ Source: Singapore Tourism Board, “Monthly visitor arrivals”, March 2022

⁵ Source: CNA, “Singapore to reopen borders to all fully vaccinated travellers on Apr 1; existing VTLs will be retired”, March 2022

⁶ Source: Tourism Australia, “International market performance statistics”, March 2022

⁷ Source: NSW Government, Victoria Government, “Travel Restrictions”, March 2022

⁸ Source: Gov.UK, “All COVID-19 travel restrictions removed in the UK”, March 2022

Consequently, FHT's UK portfolio's occupancy rose by 43.8 pts to 60.6% and RevPAR more than tripled YoY in 1H FY2022, supported by a higher ADR YoY. The GOR more than tripled YoY while its GOP registered £3.3 million compared to a gross operating loss during the same period in 1H FY2021.

Japan

Following the exit from its fourth state of emergency in Japan in September 2021, a *quasi* state of emergency was subsequently introduced in the first three months of 2022 with the emergence of the Omicron variant.⁹

In 1H FY2022, ANA Crowne Plaza Kobe's RevPAR increased by 12.9% YoY. The hotel's GOR was up 28.5% YoY and GOP more than doubled YoY in 1H FY2022.

Malaysia

Domestic and international travel restrictions in Malaysia were lifted since mid-October 2021¹⁰ and it led to improved performance for The Westin Kuala Lumpur. The hotel recorded RevPAR YoY increase of over five times in 1H FY2022. Consequently, the hotel's GOR more than quadrupled in 1H FY2022 and its gross operating loss narrowed to RM0.4 million in 1H FY2022.

Germany

The Federal Statistical Office of Germany reported a total of 310.3 million of overnight stays by domestic and foreign visitors in 2021, an increase of 2.7% YoY.¹¹

Maritim Hotel Dresden showed initial signs of recovery in its performance, but the pace of recovery remains very gradual in the absence of conference and international business. The emergence of the Omicron variant since November 2021 has also impeded the hotel's recovery pace. Despite the challenges, the hotel reported over 100% increase in GOR and GOP YoY in 1H FY2022.

Financial Position

As at 31 March 2022, FHT's gearing stood at 42.3% and the weighted average debt to maturity at 2.03 years. FHT does not have any loans due until July 2022.

FHT's effective cost of borrowing was 2.2% per annum, and interest cover was 2.4 times as at 31 March 2022. The proportion of its fixed-rate borrowings to total borrowings was 77.1%. Net asset value per stapled security was S\$0.65, unchanged from the level as at 31 December 2021.

FHT continues to have ample headroom and adequate liquidity to meet its operational needs and financial commitments.

Divestment of Sofitel Sydney Wentworth

FH-REIT has completed the acquisition of the freehold reversionary interest of Sofitel Sydney Wentworth ("**Hotel**") on 28 March 2022 ("**Freehold Reversionary Interest**"). Following the acquisition, the Freehold Reversionary Interest will be amalgamated with the existing leasehold interest of a remaining term of 69 years in the Hotel to facilitate the sale of the amalgamated freehold interest of the Hotel to an unrelated

⁹ Source: Straits Times, "Japan to lift Covid-19 quasi-emergency curbs", March 2022

¹⁰ Source: Straits Times, "Malaysia to reopen border to international visitors from April 1", March 2022

¹¹ Source: Federal Statistical Office of Germany, "Arrivals and overnight stays", March 2022

third-party acquirer. FHT will make a further announcement upon completion of the sale of the Hotel's amalgamated freehold interest.

Market Outlook

The World Tourism Organization (“**UNWTO**”) noted continued recovery in international tourism as global international arrivals more than doubled in January 2022 compared to the weak start to 2021¹². However, the emergence of the Omicron variant and the re-introduction of travel restrictions across some countries disrupted the recovery pace. The recent Ukraine crisis has also caused a surge in energy and commodity prices, thereby adding further inflationary pressures to the challenging operating environment amidst the pandemic. These added pressures could adversely impact the recovery of the travel industry.

According to UNWTO's Panel of Experts survey which was reported in January 2022, most tourism professionals see better prospects for 2022, with more than half expecting a rebound in the third quarter of 2022¹³. The survey also showed that domestic tourism has continued to drive recovery in increasing number of destinations, particularly those with large domestic markets.

The International Air Transport Association also observed increasing momentum towards re-opening of borders and relaxation of travel restrictions as the pandemic moved into the endemic phase. While the European international traffic has rebounded to 58% of its pre-pandemic levels, traffic in Asia Pacific region remained at 12% of its pre-pandemic levels even as more countries moved towards border re-opening¹⁴.

As the pace of recovery remains varied and uneven across regions, the Managers will continue to work closely with the operators and master lessees to capture the eventual recovery of hotel demand. FHT's presence in large domestic markets, such as Australia, Japan and the UK, will enable these assets to capture strong local demand as international travel gradually returns in other markets with further border re-opening. The Managers remain committed to delivering sustainable, long-term value to the Stapled Securityholders.

1H FY2022 Distribution

Distribution period	1 Oct 2021 – 31 Mar 2022
DPS	0.7039 cents per Stapled Security
Last day of trading on “cum” basis	9 May 2022
First date of trading on “ex” basis	10 May 2022
Record date	11 May 2022
Distribution payment date	29 Jun 2022

END

¹² Source: World Tourism Barometer by UNWTO (UN World Tourism Organization), March 2022

¹³ Source: UNWTO Panel of Experts survey in UNWTO, “Impact assessment of the COVID-19 outbreak on international tourism”, January 2022

¹⁴ Source: International Air Transport Association, “Progress in Opening the World to Travel”, March 2022

About Frasers Hospitality Trust

FHT is the first global hotel and serviced residence trust listed in Singapore on 14 July 2014, comprising FH-REIT and FH-BT. It is established with the principal strategy of investing globally, on a long-term basis, in income-producing real estate assets used primarily for hospitality purposes.

FHT provides investors exposure to one of the largest international hospitality portfolios by number of keys. Its geographically diversified portfolio of 15 quality assets are in prime locations across 9 key cities in Asia, Australia and Europe. With a combined appraised value of S\$2.25 billion (as at 30 September 2021), these 9 hotels and 6 serviced residences are: Novotel Melbourne on Collins, Novotel Sydney Darling Square, Sofitel Sydney Wentworth, Fraser Suites Sydney, InterContinental Singapore, Fraser Suites Singapore, ibis Styles London Gloucester Road, Park International London, Fraser Suites Edinburgh, Fraser Suites Glasgow, Fraser Suites Queens Gate, Fraser Place Canary Wharf, ANA Crowne Plaza Kobe, The Westin Kuala Lumpur and Maritim Hotel Dresden. Collectively, they have a total of 3,913 rooms comprising 3,071 hotel rooms and 842 serviced residence units.

FHT is managed by Frasers Hospitality Asset Management Pte. Ltd., the manager of FH-REIT, and Frasers Hospitality Trust Management Pte. Ltd., the trustee-manager of FH-BT (collectively known as the “**Managers**”). The Managers are wholly-owned subsidiaries of Frasers Property Limited which is the sponsor of FHT.

For more information on FHT, please visit www.frasershospitalitytrust.com

About Frasers Property Limited

Frasers Property Limited (“**Frasers Property**” and together with its subsidiaries, the “**Frasers Property Group**” or the “**Group**”), is a multi-national developer-owner-operator of real estate products and services across the property value chain. Listed on the Main Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and headquartered in Singapore, the Group has total assets of approximately S\$40.3 billion as at 30 September 2021.

Frasers Property's multi-national businesses operate across five asset classes, namely, residential, retail, commercial & business parks, industrial & logistics as well as hospitality. The Group has businesses in Southeast Asia, Australia, Europe and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in over 70 cities and 20 countries across Asia, Australia, Europe, the Middle East and Africa.

Frasers Property is also the sponsor of two real estate investment trusts (“**REITs**”) and one stapled trust listed on the SGX-ST. Frasers Centrepoint Trust and Frasers Logistics & Commercial Trust are focused on retail, and industrial & commercial properties, respectively. Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) is a stapled trust focused on hospitality properties. In addition, the Group has two REITs listed on the Stock Exchange of Thailand. Frasers Property (Thailand) Public Company Limited is the sponsor of Frasers Property Thailand Industrial Freehold & Leasehold REIT, which is focused on industrial & logistics properties in Thailand, and Golden Ventures Leasehold Real Estate Investment Trust, which is focused on commercial properties.

The Group is committed to inspiring experiences and creating places for good for its stakeholders. By acting progressively, producing and consuming responsibly, and focusing on people, Frasers Property aspires to raise sustainability ideals across its value chain, and build a more resilient business. It has committed to be a net-zero carbon corporation by 2050. Building on its heritage as well as leveraging its knowledge and capabilities, the Group aims to create lasting shared value for its people, the businesses and communities it serves. Frasers Property believes in the diversity of its people and are invested in promoting a progressive, collaborative and respectful culture.

For more information on Frasers Property, please visit frasersproperty.com or follow us on [LinkedIn](https://www.linkedin.com/company/frasers-property).

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This advertisement has not been reviewed by the Monetary Authority of Singapore.

Any discrepancies in the figures included herein between the listed amounts and total thereof are due to rounding.

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