

Frasers Hospitality Trust

Business Updates for 3Q FY2022

28 July 2022



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This presentation includes market and industry data and forecast that have been obtained from internal survey, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information. While the Managers have taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Managers have not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.

This presentation has not been reviewed by the Monetary Authority of Singapore (MAS).

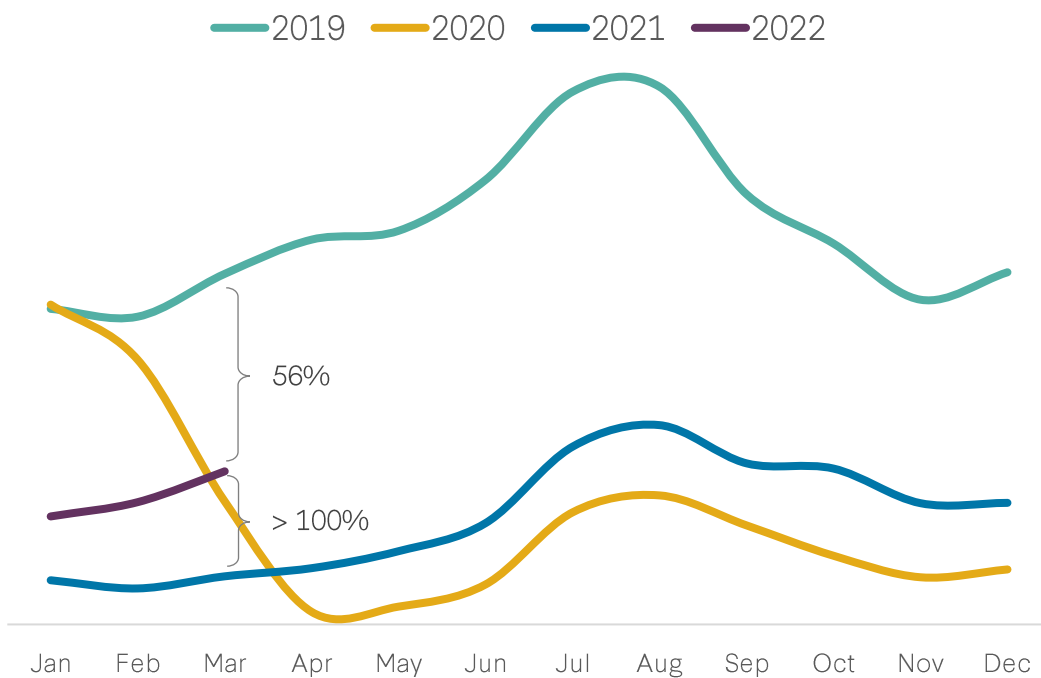
Any discrepancies in the figures included herein between the listed amounts and total thereof are due to rounding.



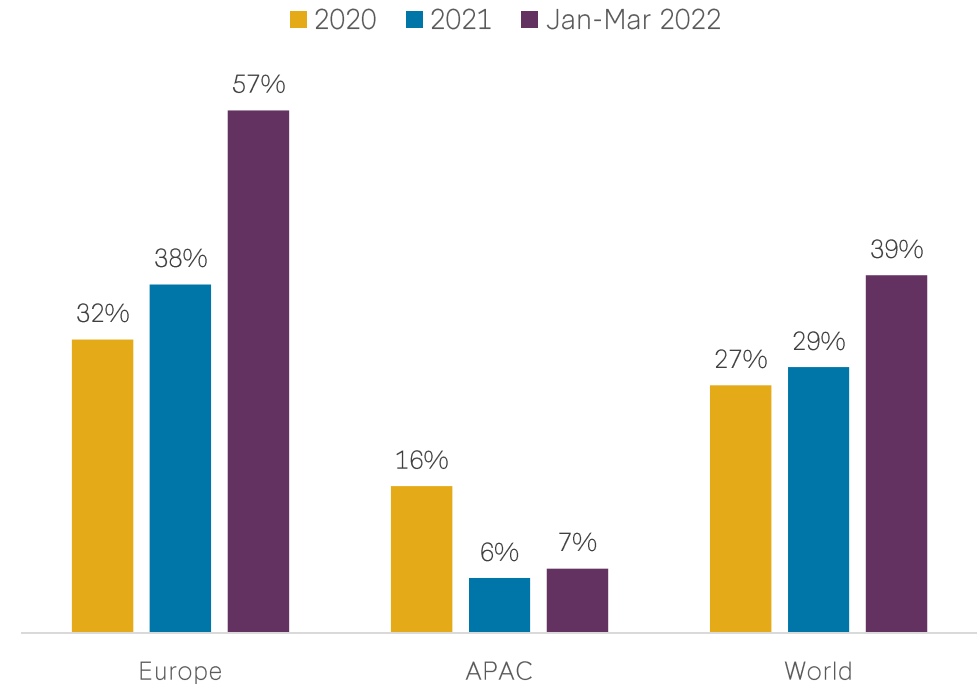
Key Market Updates

Europe leads in international travel recovery as APAC trails behind

International Tourist Arrivals (mil)



International Tourist Arrivals, % of 2019 level



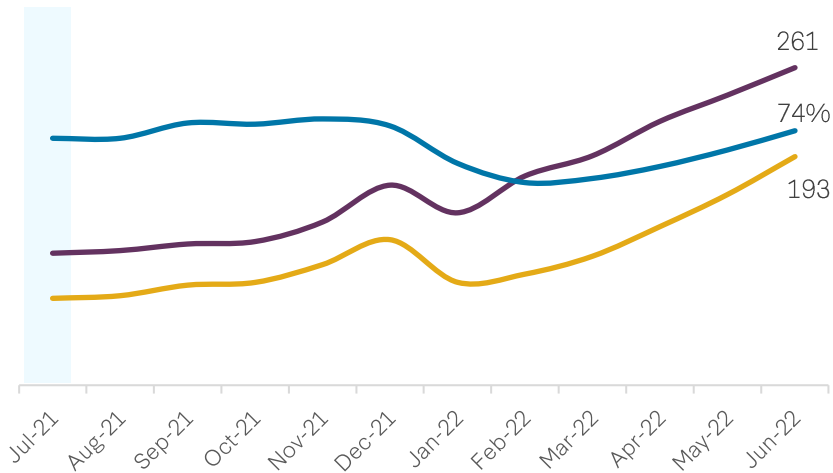
- International arrivals more than doubled in Jan - Mar 2022 compared to the levels in 2021 but remain below the pre-pandemic level
- Europe continued to lead recovery in Jan - Mar 2022 with >100% increase YoY, driven by intra-regional demand, and reached 57% of pre-pandemic level
- APAC region's arrivals recorded 61% YoY increase in Jan - Mar 2022 but stayed significantly below pre-pandemic level as APAC destinations remain slow to lift travel restrictions

Sustained improvement observed in FHT's markets

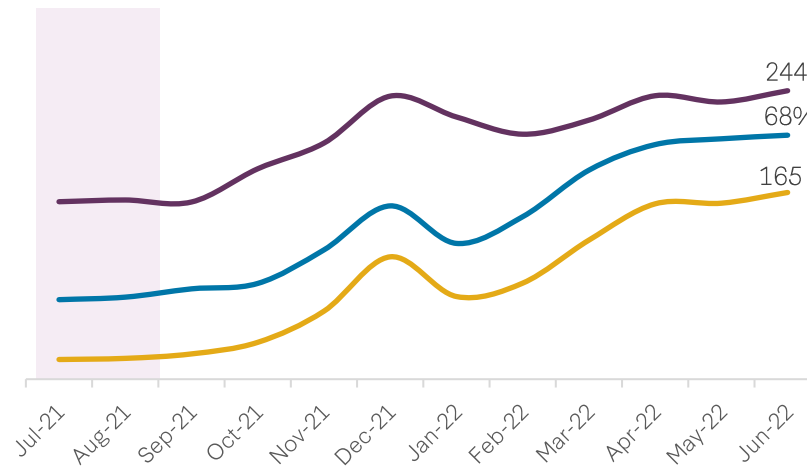
Hospitality market performance by city

— ADR — Occupancy — RevPAR Heightened alert Lockdown

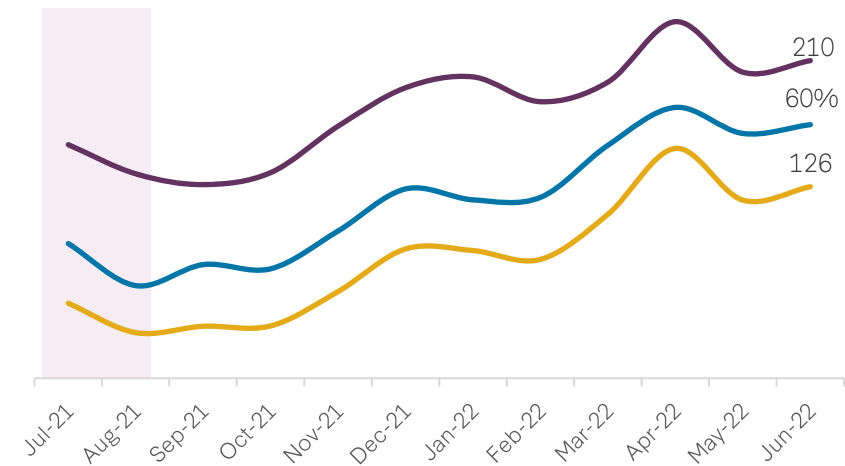
Singapore



Sydney (Upscale & upper-midscale segment)



Melbourne (Upscale & upper-midscale)



Singapore's hotel market performance showed signs of recovery following the easing of border measures (Vaccinated Travel Framework) and most COVID-19 restrictions from Apr-22

Sydney's hotel market performance showed gradual improvement following a retreat in the Omicron surge and fully re-opened international borders since Feb 2022

Melbourne's hotel market performance was boosted by the presence of major events (e.g. Australian Open in Jan-22 and Australian Grand Prix in Apr-22)

*Average daily rate (ADR) and revenue per available room (RevPAR) are in local currencies

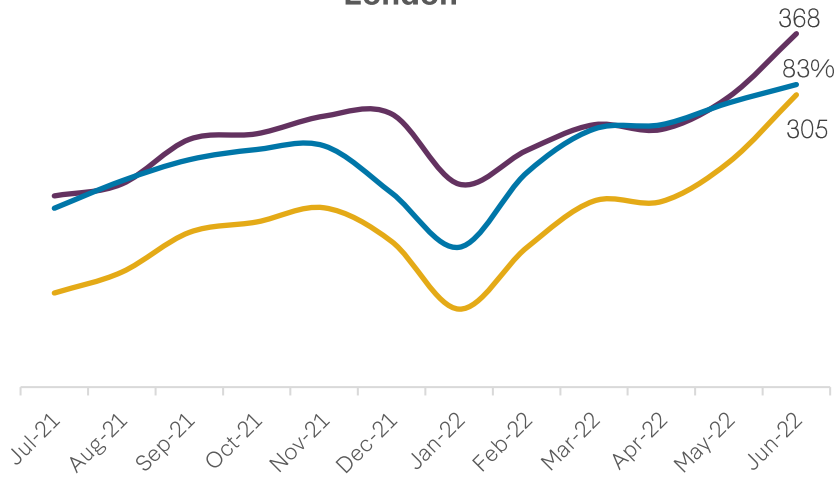
Sources: STR; CNBC, "Singapore to ease Covid measures, reopen borders and drop outdoor mask mandate", Mar 2022; STR, "Sydney's hotel industry showed steady occupancy levels in May", Jun 2022 and "Australian Grand Prix drove Melbourne hotel rates to record high in April", May 2022

Sustained improvement observed in FHT's markets

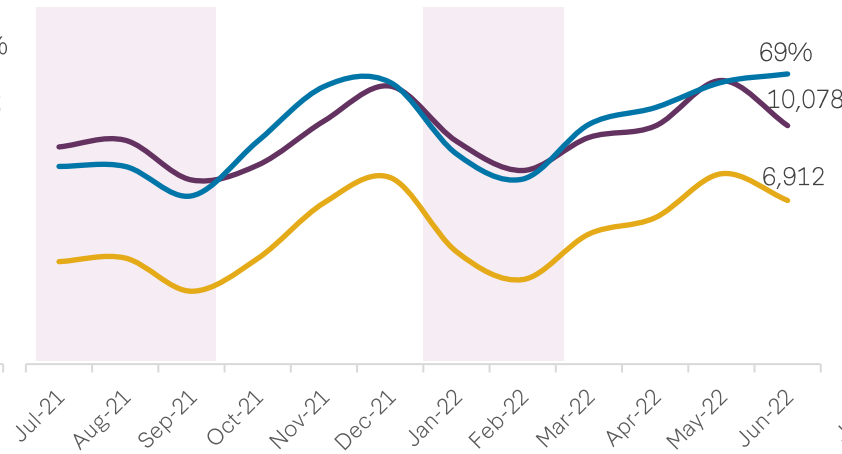
Hospitality market performance by city

— ADR — Occupancy — RevPAR Phased exit Lockdown / state of emergency / movement control orders

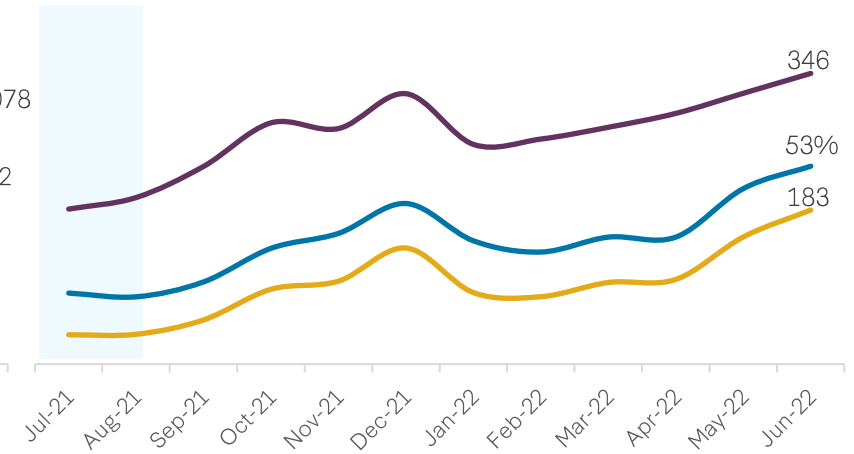
London



Kobe (Upscale & upper-midscale)



Kuala Lumpur (Luxury & upper-upscale)



London's hotel market performance continued its rebound month-over-month, with stronger performance due to the build-up of demand over summer season

Kobe's hotel market performance recovered gradually following lifted quasi-emergency measures since Mar-22

Kuala Lumpur's hotel market performance is on a gradual recovery trajectory with quarantine-free travel measures in place since Apr-22

*All average daily rates (ADR) and revenues per available room (RevPAR) are in local currencies

Sources: STR; STR, "London hotels post record-breaking room rates", Jul 2022; Straits Times, "Japan to lift Covid-19 quasi-emergency curbs", Mar 2022 and The Edge, "Hospitality industry struggling to cope despite borders reopening, brighter prospects", Jun 2022

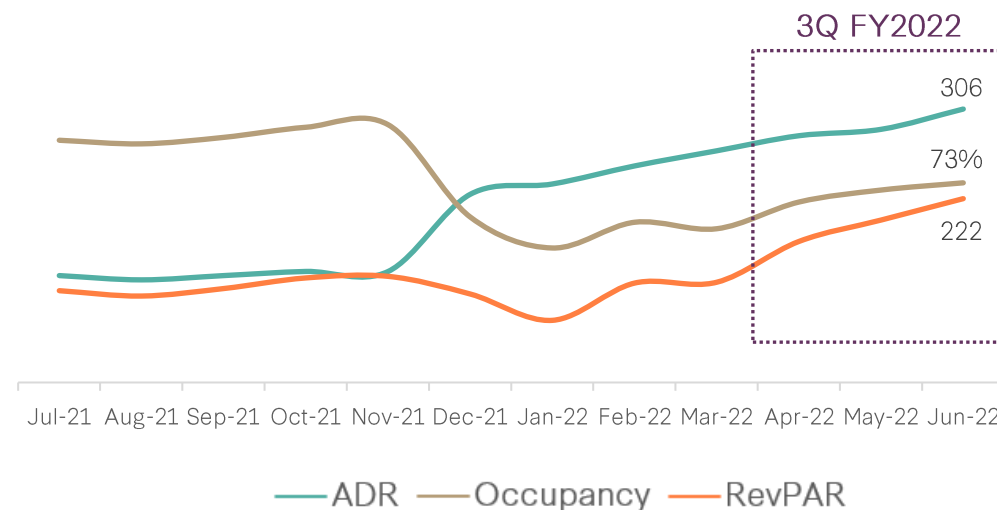
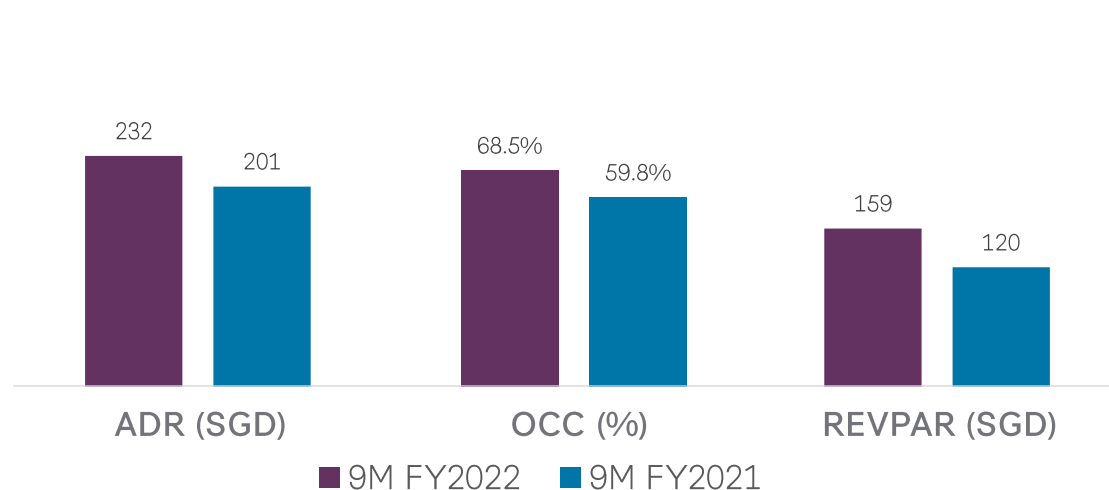


Portfolio Performance

Singapore

InterContinental Singapore (ICSG)

Fraser Suites Singapore (FSSG)



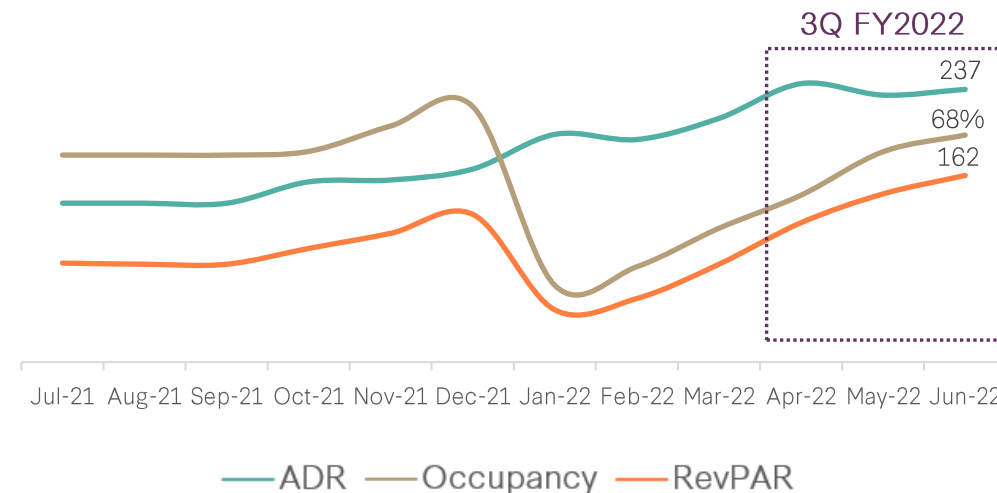
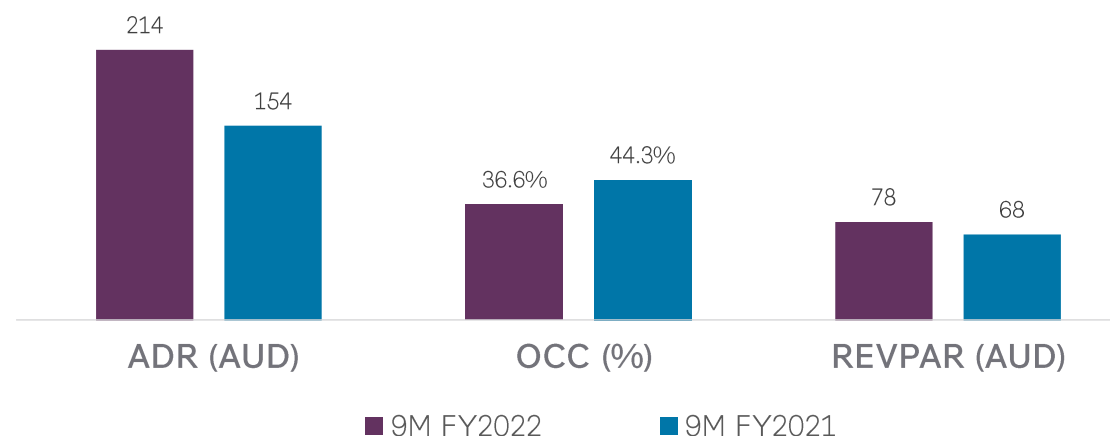
Gradual improvement in RevPAR, supported by long-stay business

- > Singapore portfolio's RevPAR increased 32.4% YoY in 9M FY2022 with improvement in ADR and occupancy
- > FSSG's performance remained stable with support from long-stay business
- > Singapore has launched the Vaccinated Travel Framework to replace existing VTL and re-opened its borders to all vaccinated travellers from 1 Apr 2022
- > Airlines such as Singapore Airlines and Scoot have expanded their network to increase their flight schedules to all eligible customers from 1 Apr 2022

Australia

Novotel Melbourne on Collins (NMOC)
Fraser Suites Sydney (FSS)

Novotel Sydney Darling Square (NSDS)



Gradual recovery trajectory resumed since re-opening of borders

- > Australia portfolio's RevPAR increased 14.9% YoY in 9M FY2022 due to higher ADR
- > Divestment of Sofitel Sydney Wentworth was completed in end Apr-22
- > Portfolio resumed its recovery trajectory following the re-opening of international borders in Sydney and Melbourne since Feb 2022 to vaccinated travellers without quarantine
- > STR's latest Forward STAR* data shows sustained occupancy recovery in the months ahead, particularly in Melbourne with upcoming major events

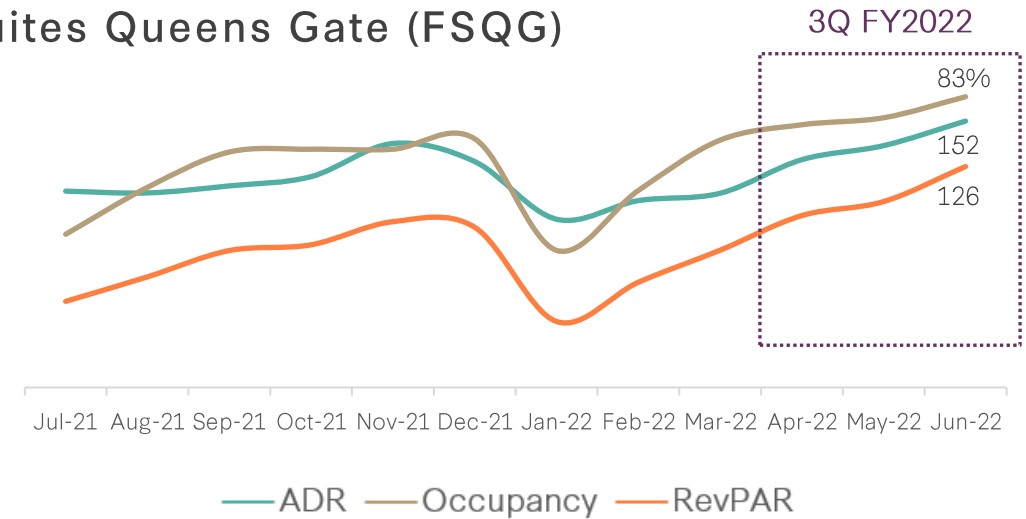
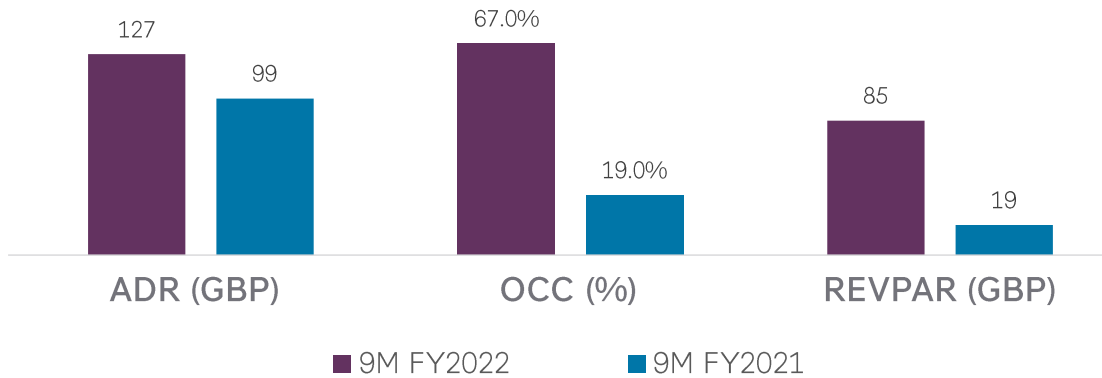
Source: STR, "Melbourne hotel performance improved in June", Jul 2022 and "Sydney's hotel industry showed steady occupancy levels in May", Jun 2022

* Forward STAR report is a forward-looking performance benchmarking tool developed by STR to allow for the viewing of actual occupancy on the books and pickup as well as the comparison of the hotel's upcoming daily performance with the market and competition

UK

ibis Styles London Gloucester Road (ISLG)
Fraser Place Canary Wharf (FPCW)
Fraser Suites Glasgow (FSG)

Park International London (PIL)
Fraser Suites Edinburgh (FSE)
Fraser Suites Queens Gate (FSQG)

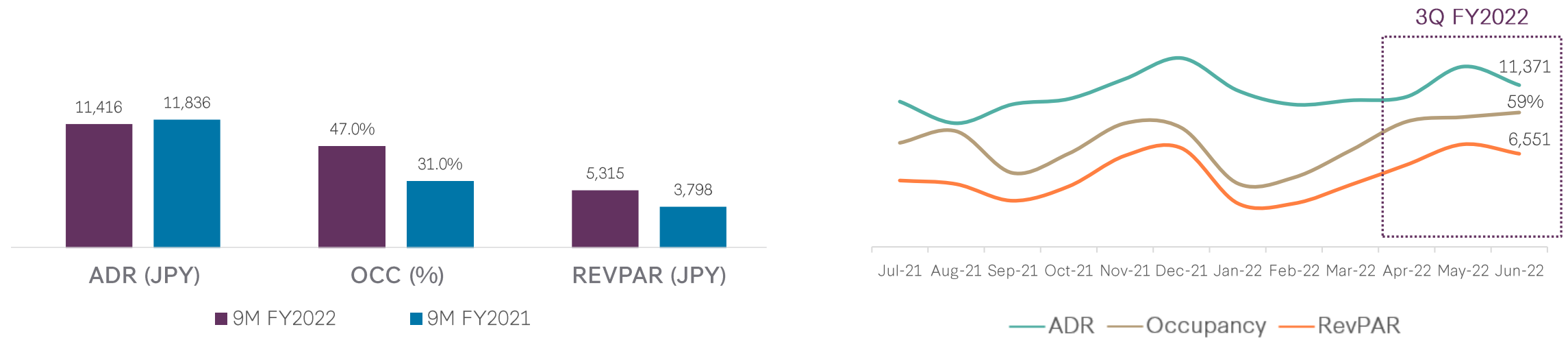


Sustained recovery across all key operating metrics

- > UK portfolio's RevPAR experienced an increase of >100% YoY in 9M FY2022 due to improvements in ADR and occupancy
- > UK has led Europe into the endemic phase as all COVID-related travel restrictions were lifted since mid Mar-22 for all travellers as part of the government's "Living with Covid" plan
- > All UK properties experienced good demand as the country approached peak summer months

Japan

ANA Crowne Plaza Kobe (CPK)

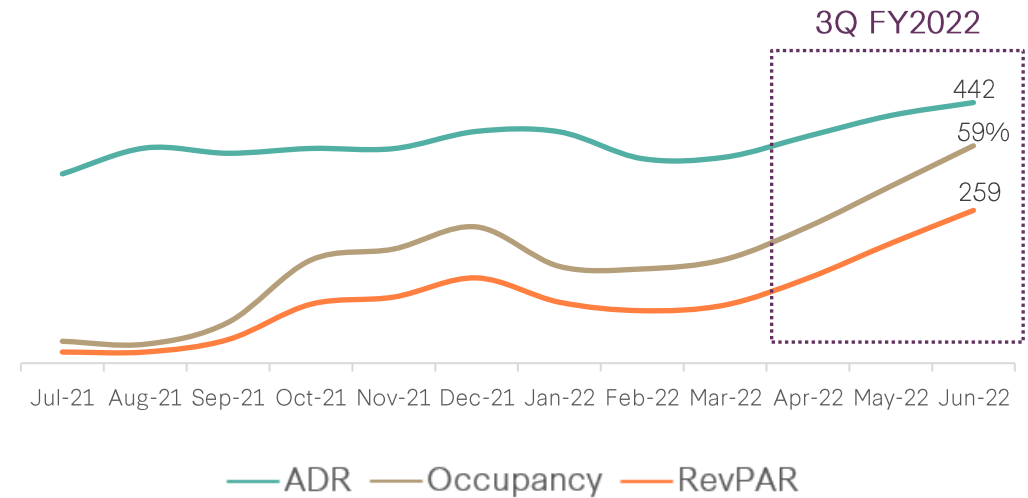
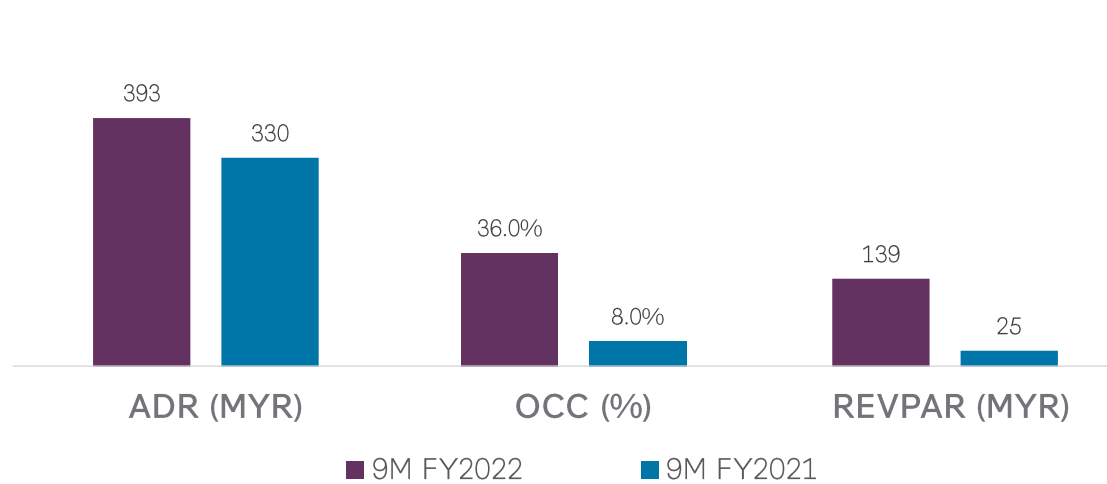


Positive improvements in occupancy and RevPAR following lifted restrictions

- > CPK's RevPAR increased 39.9% YoY in 9M FY2022 due to improved occupancy
- > Although the quasi-state of emergency was lifted since end Mar-22, the planned resumption of the 'Go To Travel' campaign in Jul-22 has been postponed due to a spike in COVID-19 cases
- > The country has gradually eased restrictions, by increasing the limit of arrivals to maximum 20,000 travellers per day since 1 Jun 2022. However, pre-departure tests, visa and quarantine measures are still in place for different categories of countries/regions

Malaysia

The Westin Kuala Lumpur (TWKL)



Strong rebound in occupancy from lower base, boosted by pent-up corporate and leisure demand

- > TWKL's RevPAR increased >100% YoY in 9M FY2022 due to improved ADR and occupancy
- > Malaysia has fully re-opened international borders and introduced quarantine-free travel from Apr-22 as part of its transition to endemic phase
- > TWKL's occupancy improved to 36.0% in 3Q FY2022, from both corporate and leisure demand
- > Domestic airlines have responded with plans to step up flights and restore capacity

Germany

Maritim Hotel Dresden (MHD)



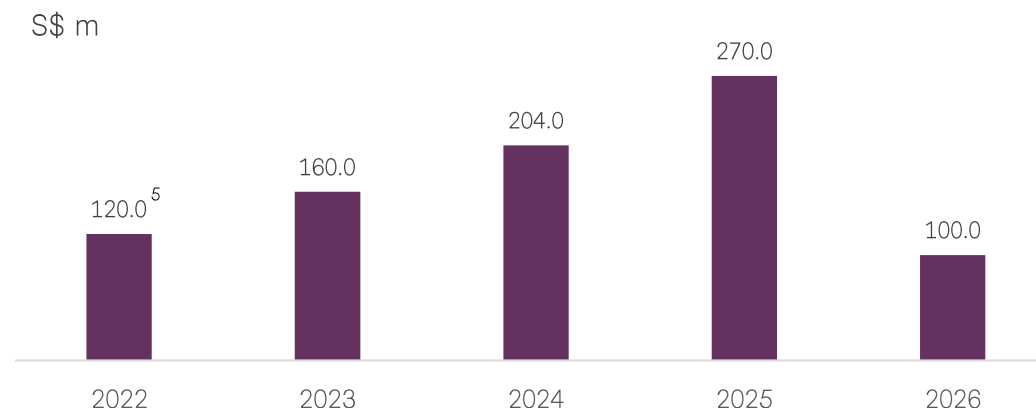
- > MHD's performance showed signs of improvement YoY in 3Q FY2022 which was supported by a recovery in domestic travel after travel restrictions were eased
- > Occupancy improved to an average of >75% in 3Q FY2022
- > Recovery pace for MHD continues to be very gradual in the absence of MICE events and international arrivals
- > Germany has suspended travel requirements for proof of vaccination, recovery or negative test since early Jun-22

Proactive capital management

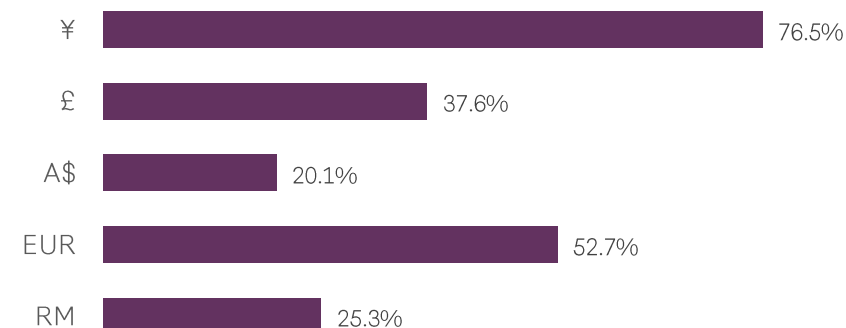
As at 30 Jun 2022

Gearing ^{1,2}	39.3%
Net asset value per stapled security	S\$0.65
Weighted average debt to maturity	1.95 years
Unsecured debt	96.6%
Effective cost of borrowing ²	2.2%
Borrowings on fixed rates	87.8%
Interest coverage ratio ^{3,4}	2.4 times
Adjusted interest coverage ratio ^{1,3,4}	2.4 times

Debt maturity profile (excludes short-term revolving credit facilities)



Balance sheet hedging



1. The gearing (i) should not exceed 50% prior to 1 January 2022; (ii) could exceed 45% (up to a maximum of 50%) only if the adjusted interest coverage ratio exceeds 2.5 times on or after 1 January 2022

2. The impact of FRS 116 Leases has been excluded for the purpose of computing gearing and effective cost of borrowing

3. Interest coverage ratio and adjusted interest coverage ratio are as prescribed under the MAS' Property Funds Appendix (last revised on 1 July 2021)

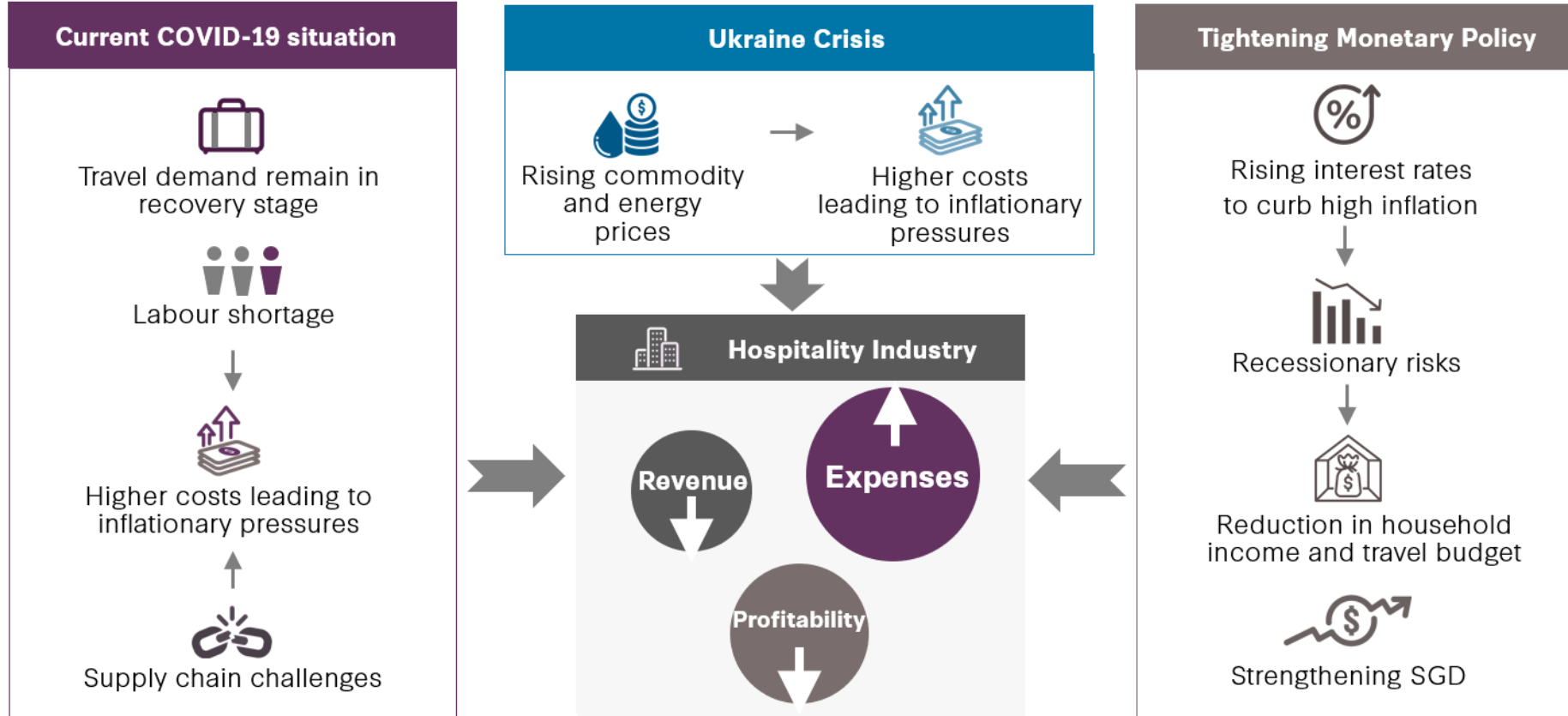
4. For the purpose of computing interest coverage ratio and adjusted interest coverage ratio, interest expense excludes the unwinding of discounting effect on present value of lease liability and long-term security deposits payable

5. The S\$120.0 million 2.63% Series 2 Notes under the S\$1,000,000,000 multicurrency debt issuance programme issued by FH-REIT Treasury Pte. Ltd. were fully redeemed on 6 July 2022



Looking Ahead

Uncertainty in recovery and outlook remains



- > Significant risks to hospitality industry persist as the world gradually transits to endemic phase of COVID-19, further encumbered by labour shortage and supply chain challenges which led to higher expenses
- > Ongoing geopolitical tensions from the Ukraine crisis gave rise to inflationary pressures which led to the tightening of the monetary policy and interest rate hikes, and in turn, contributed to recessionary risks and potential reduction in household income and travel budget
- > Further strengthening of Singapore dollar could also limit potential revaluation gains and DPS growth

Proposed privatisation of FHT





Offeror	<ul style="list-style-type: none">▪ Frasers Property Hospitality Trust Holdings Pte. Ltd. (the "Offeror")<ul style="list-style-type: none">• Wholly-owned subsidiary of Frasers Property Limited ("FPL")
Transaction Structure	<ul style="list-style-type: none">▪ Proposed privatisation of FHT, to be effected through:<ul style="list-style-type: none">• The proposed acquisition of all Stapled Securities held by the stapled securityholders of FHT ("Stapled Securityholders") (other than the Stapled Securities held by (a) TCC Group Investments Limited and (b) FPL and/or its subsidiaries (including the Offeror) by the Offeror, by way of a trust scheme of arrangement (the "Scheme") in accordance with the Singapore Code on Take-overs and Mergers.
Scheme Consideration	<ul style="list-style-type: none">▪ \$0.700 per Scheme Stapled Security ("Scheme Consideration"), entirely in cash▪ The Offeror reserves the right to adjust the Scheme Consideration by reducing the Scheme Consideration, if and to the extent any distribution in excess of the Permitted Distributions (as defined below) is announced, declared, made or paid by the Managers on or after the date of Implementation Agreement.
Permitted Distributions ¹	<ul style="list-style-type: none">▪ Subject to the terms and conditions of the Implementation Agreement, FHT may declare, make or pay the distributions declared, paid or made or to be declared, paid or made by the Managers in cash to the Stapled Securityholders in the ordinary course of business, in respect of the period from 1 Oct 2021 up to the day immediately before the date on which the Scheme becomes effective in accordance with its terms (the "Effective Date") including any capital distribution or clean-up distribution to the Stapled Securityholders in respect of the period from the day following the latest completed financial period of FHT and its subsidiaries preceding the Effective Date up to the day immediately before the Effective Date (the "Permitted Distributions").
Key Approvals Required	<ol style="list-style-type: none">1. Stapled Securityholders' Approval – Amendment of FH-REIT trust deed, the FH-BT trust deed and the stapling deed (Extraordinary Resolution), and Approval of Scheme (Scheme Resolution)2. Court and Regulatory Approvals – Court sanction of Scheme; SGX-ST Clearance, no objections from MAS and Australian Foreign Investment Review Board Approvals

¹For the avoidance of doubt, the Permitted Distributions shall not include distributions declared, paid or made by the Managers to the Stapled Securityholders in respect of proceeds received in connection with the sale of any of the properties held by FHT (including, without limitation, the divestment of the Sofitel Sydney Wentworth which was completed on 29 Apr 2022)
Note: Unless otherwise defined, all capitalised terms herein shall have the meanings ascribed to them in the joint announcement dated 13 June 2022 (the "Joint Announcement"). Please refer to the Joint Announcement for more details. A copy of the Joint Announcement is available on <http://www.sgx.com> and the website of FHT.

Inspiring experiences,
creating places for good.



Hotels managed by third-party operators

	Property	Country	Description	Tenure	Class	Rooms	Valuation ¹ (31 May 2022)
	Novotel Melbourne on Collins	Australia	Strategically located within Melbourne's core CBD area along Collins Street	Freehold	Upscale	380	A\$235.0m (S\$225.4m)
	Novotel Sydney Darling Square	Australia	4.5-star hotel located within close proximity of Sydney's Darling Harbour and Chinatown	84 years ²	Mid-scale	230	A\$109.0m (S\$104.6m)
	InterContinental Singapore	Singapore	Only 5-star luxury hotel in Singapore to preserve Peranakan heritage in a shop house style setting	75 years ²	Luxury	406	S\$509.0m
	ibis Styles London Gloucester Road	UK	Distinctive white Victorian facade located in the heart of London	75 years ²	Mid-scale	84	£19.4m (S\$32.8m)

1. Based on exchange rates of S\$/A\$: 0.9592, S\$/£: 1.6919, ¥/S\$: 97.56, S\$/RM: 0.3151, S\$/€: 1.4579 as at 30 Jun 2022. The valuations of the properties are announced in the Joint Announcement. Please note that the S\$ translated amounts of the valuations have been updated to reflect the exchange rates as at 30 June 2022.

2. Commencing from 14 Jul 2014 (Frasers Hospitality Trust's listing date)







Hotels managed by Frasers Hospitality and third-party operators

	Property	Country	Description	Tenure	Class	Rooms	Valuation ¹ (31 May 2022)
	Park International London	UK	Elegant hotel ideally located in the heart of Kensington and Chelsea	75 years ²	Mid-scale	171	£39.8m (S\$67.3m)
	ANA Crowne Plaza Kobe	Japan	Unique panoramic view of Kobe city from Rokko mountain	Freehold	Upper Upscale	593	¥16,200.0m (S\$166.1m)
	The Westin Kuala Lumpur	Malaysia	5-star luxury hotel located in the centre of Kuala Lumpur's bustling Golden Triangle area	Freehold	Upper Upscale	443	RM376.0m (S\$118.5m)
	Maritim Hotel Dresden	Germany	Heritage-listed and located in the historical city centre of Dresden, the capital city of the eastern German state of Saxony	Freehold	Upscale	328	€59.0m (S\$86.0m)

1. Based on exchange rates of S\$/A\$: 0.9592, S\$/£: 1.6919, ¥/S\$: 97.56, S\$/RM: 0.3151, S\$/€: 1.4579 as at 30 Jun 2022. The valuations of the properties are announced in the Joint Announcement. Please note that the S\$ translated amounts of the valuations have been updated to reflect the exchange rates as at 30 June 2022.

2. Commencing from 14 Jul 2014 (Frasers Hospitality Trust's listing date)

Serviced residences managed by Frasers Hospitality

	Property	Country	Description	Tenure	Class	Rooms	Valuation ¹ (31 May 2022)
	Fraser Suites Sydney	Australia	First luxury apartments in Sydney designed by internationally renowned architects	75 years ²	Upper Upscale	201	A\$133.0m (S\$127.6m)
	Fraser Suites Singapore	Singapore	Luxurious serviced residences in the prime residential district of River Valley	75 years ²	Upper Upscale	255	S\$294.0m
	Fraser Suites Edinburgh	UK	Rustic 1750s sandstone building located in the heart of Edinburgh's Old Town	75 years ²	Upper Upscale	75	£15.7m (S\$26.6m)
	Fraser Suites Glasgow	UK	Stunningly restored 1850s building which was formerly the city bank of Glasgow	75 years ²	Upper Upscale	98	£9.5m (S\$16.1m)
	Fraser Suites Queens Gate	UK	Beautiful Victorian apartment hotel in Kensington	75 years ²	Upper Upscale	105	£56.1m (S\$94.9m)
	Fraser Place Canary Wharf	UK	Stunning apartments located by the River Thames, showcasing chic contemporary design	75 years ²	Upper Upscale	108	£37.8m (S\$64.0m)

1. Based on exchange rates of S\$/A\$: 0.9592, S\$/£: 1.6919, ¥/S\$: 97.56, S\$/RM: 0.3151, S\$/€: 1.4579 as at 30 Jun 2022. The valuations of the properties are announced in the Joint Announcement. Please note that the S\$ translated amounts of the valuations have been updated to reflect the exchange rates as at 30 June 2022.

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Responsibility statement

The directors of the Managers (including those who may have delegated detailed supervision of this presentation) have taken all reasonable care to ensure that the facts stated and opinions expressed in this presentation (other than those relating to the Offeror or any opinion expressed by the Offeror) are fair and accurate and that there are no other material facts not contained in this presentation, the omission of which would make any statement in this presentation misleading. The directors of the Managers jointly and severally accept responsibility accordingly.

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