

**SGX-ST ANNOUNCEMENT**

*For immediate release*

A hospitality stapled group comprising:  
**Fraser's Hospitality Real Estate Investment Trust**  
(a real estate investment trust constituted on 12 June 2014 under the laws of the Republic of Singapore)  
and  
**Fraser's Hospitality Business Trust**  
(a business trust constituted on 20 June 2014 under the laws of the Republic of Singapore)

**ANNUAL GENERAL MEETING TO BE HELD ON 23 JANUARY 2024  
RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS**

Fraser's Hospitality Asset Management Pte. Ltd., in its capacity as the manager of Fraser's Hospitality Real Estate Investment Trust, and Fraser's Hospitality Trust Management Pte. Ltd., in its capacity as the trustee-manager of Fraser's Hospitality Business Trust (collectively, the "**Managers**"), would like to thank the stapled securityholders of Fraser's Hospitality Trust ("**FHT**", and the stapled securityholders, "**Stapled Securityholders**") who have submitted their questions in advance of the Annual General Meeting ("**AGM**") to be held on Tuesday, 23 January 2024 at 10.00 a.m. at the Grand Ballroom, Level 2, InterContinental Singapore, 80 Middle Road, Singapore 188966.

Please refer to the Annex for the list of substantial and relevant questions received from Stapled Securityholders as of 10.00 a.m. on 12 January 2024, and the Managers' responses to these questions.

The Managers will respond to questions or follow-up questions received after the submission deadline either before the AGM, or at the AGM itself.

**BY ORDER OF THE BOARD**

**Fraser's Hospitality Asset Management Pte. Ltd.**

As manager of Fraser's Hospitality Real Estate Investment Trust  
Company Registration No: 201331351D

**Fraser's Hospitality Trust Management Pte. Ltd.**

As trustee-manager of Fraser's Hospitality Business Trust  
Company Registration No: 201401270M

Catherine Yeo  
Company Secretary  
18 January 2024

## Important Notice

The value of FHT stapled securities (the “**Stapled Securities**”) and the income derived from them, if any, may fall or rise. The Stapled Securities are not obligations of, deposits in, or guaranteed by, Frasers Hospitality Asset Management Pte. Ltd. (as manager of Frasers Hospitality Real Estate Investment Trust), Frasers Hospitality Trust Management Pte. Ltd. (as trustee-manager of Frasers Hospitality Business Trust), Perpetual (Asia) Limited (in its capacity as trustee of Frasers Hospitality Real Estate Investment Trust) or any of each of their affiliates. An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Managers to redeem their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Stapled Securities. The past performance of FHT and the Managers is not necessarily indicative of the future performance of FHT and the Managers.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers’ view of future events.

## **ANNEX: RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS FROM FHT STAPLED SECURITYHOLDERS**

- 1. Please detail and elaborate on the reasons for the decline in valuation of our Dresden property. It is the only property that saw a decline in valuation last year.**

### **Our response**

The independent valuer took into consideration the general market condition and future economic outlook in Germany when determining the valuation of Maritim Hotel Dresden (“**Property**”). With fears of a potential prolonged recession possibly impacting the operating performance of the Property, along with having the highest interest rates and lowest hotel transaction volumes in the past decade, the valuation ascribed to the Property was thus lower in FY2023 than a year ago.

- 2. What is the sponsor's view on the fair value of the REIT? Does the sponsor consider the REIT's current trading price to be overvalued, undervalued or fairly valued?**

### **Our response**

We are not in any capacity to respond on behalf of the Sponsor, Frasers Property Limited, which is a separate listed issuer. Nonetheless, the Managers' responses are set out below:

- FHT's closing price of S\$0.505 as at 30 September 2023 was lower than its Net Asset Value (“**NAV**”) per Stapled Security of S\$0.664, translating to a discount to NAV of approximately 24%. On a comparable basis as of 30 September 2023, all S-REITs Hospitality peers were trading at a discount to NAV of between 10% and 60%.
- FHT was ranked amongst the top five S-REITs, delivering total returns of 16.9% for 2023 in a recent Business Times article titled “Better year expected for S-REITs as data centre, hospitality players top volatile 2023” and dated 9 January 2024.
- While share price movements are subject to, amongst others, market forces beyond our control, we are cognisant that Stapled Securityholders wish to see total returns increase over time. As such, we remain focused on strengthening our quality portfolio by working closely with our property operators to drive operating efficiency and optimise portfolio performance through proactive revenue management initiatives and effective cost control measures. With optimised portfolio performance, it should further strengthen FHT's financial position for asset enhancement initiatives on our properties and inorganic growth.
- To grow our portfolio, we will continue to evaluate inorganic opportunities that are yield-accretive and have the right fit. We are also constantly reviewing our portfolio mix to unlock potential value for some of our assets, with the intention of recycling capital into higher yielding assets.

- 3. Will the Sponsor be making another offer for the REIT this year?**

### **Our response**

We are not in any capacity to respond on behalf of the Sponsor, Frasers Property Limited, which is a separate listed issuer. Neither the Boards nor the Management Team of the Managers have received any binding offer from the Sponsor to privatise FHT.

**END**