



Fraser's Hospitality Trust

Financial Results for 1H FY2024

9 May 2024

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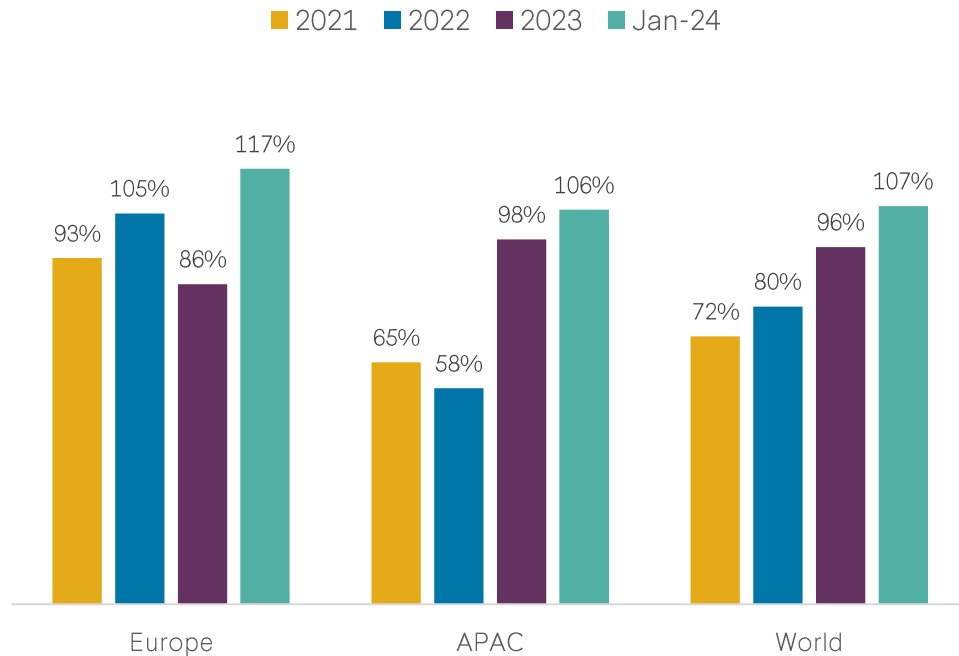
Any discrepancies in the figures included herein between the listed amounts and total thereof are due to rounding.



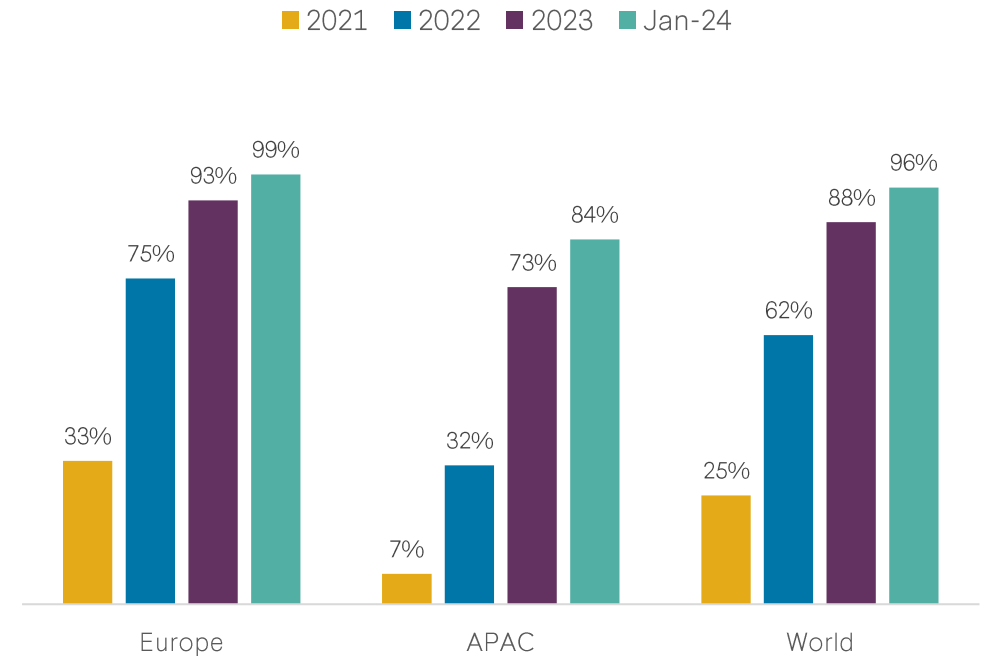
Key Market Updates

Air travel continues its recovery trajectory

Domestic Passenger Demand, % of 2019 level



International Passenger Demand, % of 2019 level



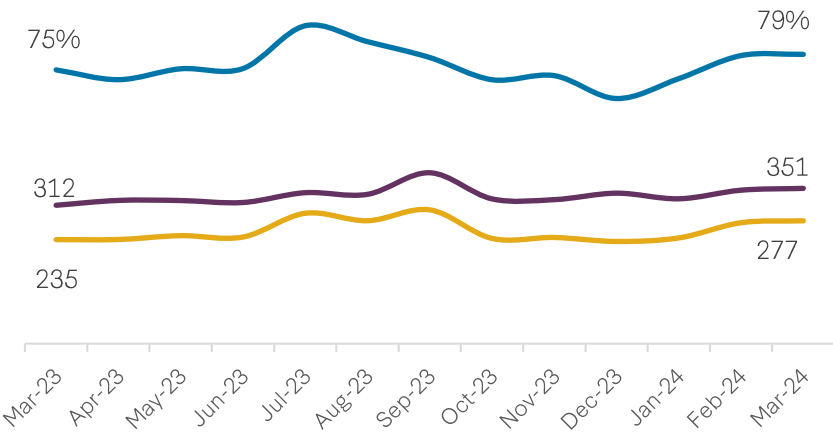
- Global passenger demand for air travel continues to recover, supported by pent-up demand and easing of travel and visa restrictions despite economic and geopolitical uncertainties
- Europe continues to lead recovery in Jan-24 with domestic passenger demand exceeding pre-COVID levels and international passenger demand almost reaching full recovery to pre-COVID levels
- APAC's domestic passenger demand exceeded the pre-COVID levels in Jan-24, led by a swift growth in Chinese domestic demand. There is still further room for growth in international passenger demand as the Chinese outbound demand recovery remains uneven

Sustained recovery observed in FHT's markets

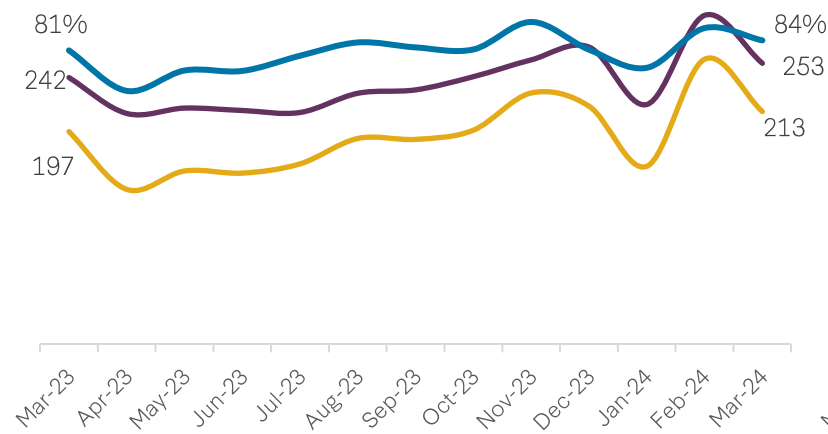
Hospitality market performance by city

— ADR — Occupancy — RevPAR

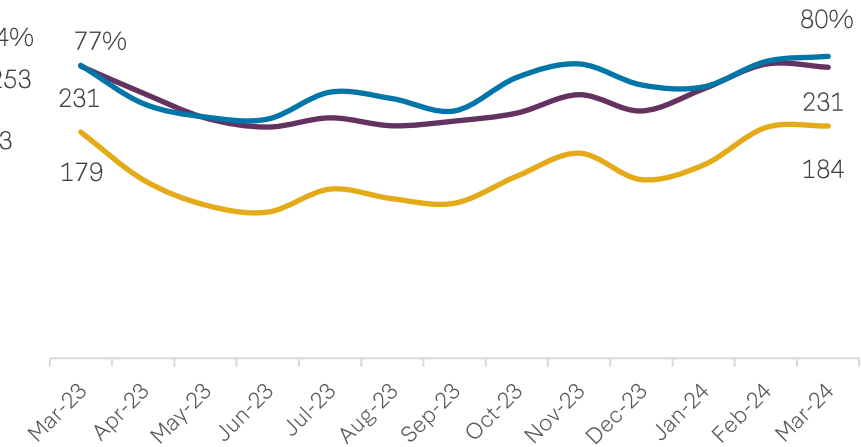
Singapore



Sydney (Upscale & upper-midscale segment)



Melbourne (Upscale & upper-midscale)



Singapore's hospitality market occupancy improved slightly in 2Q FY2024, supported by major events (e.g. superstar concerts and Singapore airshow etc.). However, the extended-stay market in Singapore continues to face challenges due to a YoY decline in the average length of stay among visitors

Sydney's hospitality market performance maintained its growth trajectory, showing continued improvements across corporate, group, and leisure segments. The resurgence of major events in Feb-24 provided an additional boost to the market's performance

Melbourne's hospitality market experienced a resurgence, driven by the return of major events, with the highest occupancy recorded in Mar-24 since the pandemic. However, challenges persist in growing the ADR as the market adapts to new influx of supply

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

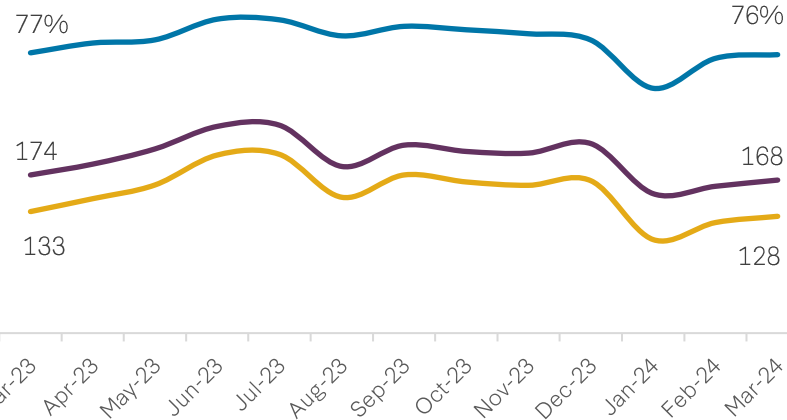
Sources: STR; STR, Eras Tour led to March records for Singapore hotels, Apr-24; Singapore Tourism Board, Singapore Tourism analytics – visitor arrivals, Apr 2024; STR, Record-high room rates in Melbourne, Sydney driven by the Eras Tour, Mar-24

Sustained recovery observed in FHT's markets

Hospitality market performance by city

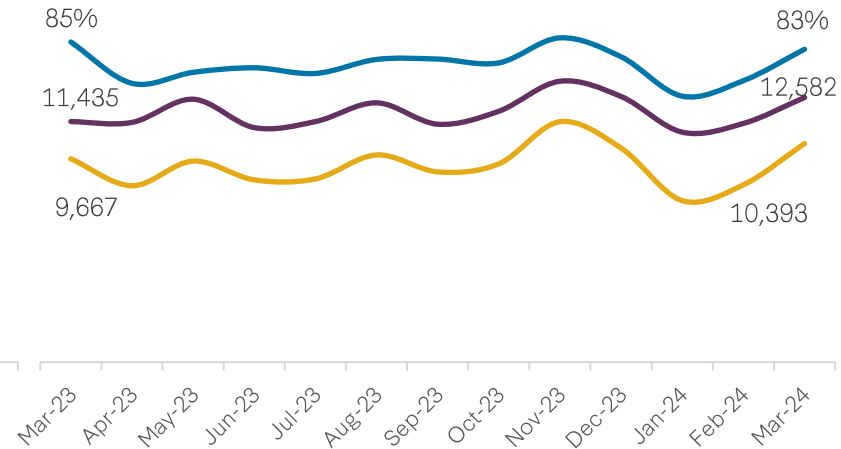
— ADR — Occupancy — RevPAR

London



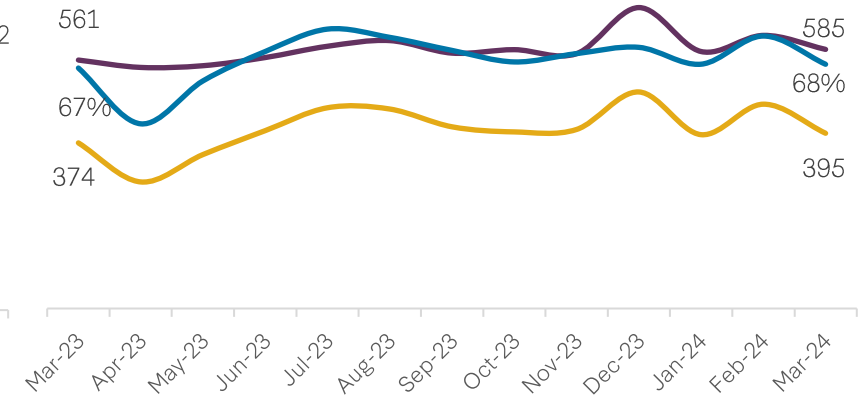
London's market performance remained stable and has surpassed pre-COVID levels, albeit with a softening in ADR as pent-up travel demand subsides, coupled with economic and geopolitical uncertainties

Kobe (Upscale & upper-midscale)



Kobe's market performance continued its recovery trend, driven by the spillover effect from a record number of inbound visitors to key cities in Japan as the cherry blossom season and the weakening Yen continue to lure tourists

Kuala Lumpur (Luxury & upper-upscale)



Kuala Lumpur's market continued its positive recovery trajectory, on the back of strong domestic corporate demand and a steady recovery in leisure demand



Financial Review & Distribution

Decline in 1H FY2024 Financial Performance

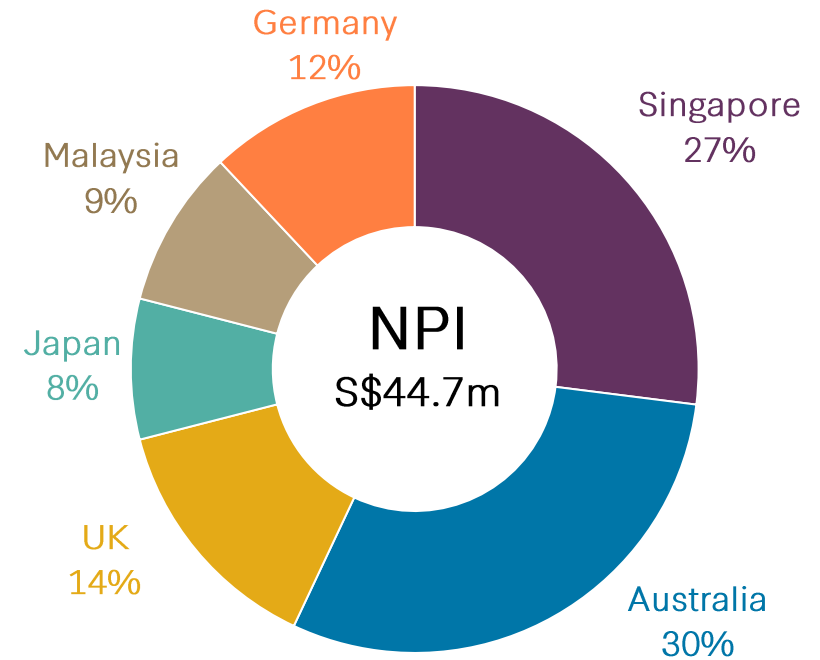
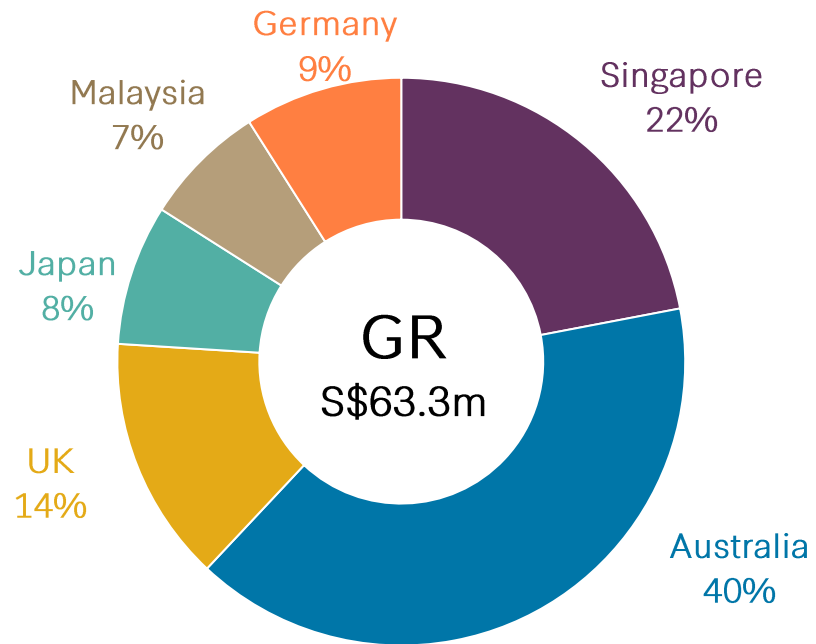
SGD million	1H FY2024	1H FY2023	YoY Change
Gross revenue (GR)	63.3	62.2	▲ 1.7%
Net property income (NPI)	44.7	45.2	▼ 1.3%
Income available for distribution (DI)	23.4	27.1	▼ 13.7%
Distribution to Stapled Securityholders	21.0 ¹	24.4 ¹	▼ 13.7%
Distribution per Stapled Security (DPS) (cents)	1.0910	1.2649	▼ 13.7%

- GR grew by 1.7% YoY due to slight improvement in hospitality portfolio performance in 1H FY2024 following further travel recovery in most of the operating markets. In addition, with effect from 1 Mar 2024, FHT has assumed the economic interest of Koto no Hako Kobe², the retail component of ANA Crowne Plaza Kobe
- 1.3% decrease in NPI due mainly to elevated property taxes in Singapore, alongside increased labour and utilities costs driven by inflation
- DPS declined by 13.7% due mainly to higher finance costs as borrowings were refinanced in a higher interest rate environment

¹ Distribution to Stapled Securityholders is based on 90% payout of the income available for distribution

² As at 31 Mar 2024, Koto no Hako Kobe comprises 22,431 sqm of NLA, with occupancy at 47.2% of net lettable area and committed occupancy at 60.7% of net lettable area

Portfolio contribution for 1H FY2024



1H FY2024 Distribution details

1 Oct 2023 – 31 Mar 2024	
Distribution rate	1.0910 cents per Stapled Security
Last day of trading on “cum” basis	15 May 2024
First day of trading on “ex” basis	16 May 2024
Record date	17 May 2024
Distribution payment date	28 Jun 2024



Portfolio Performance

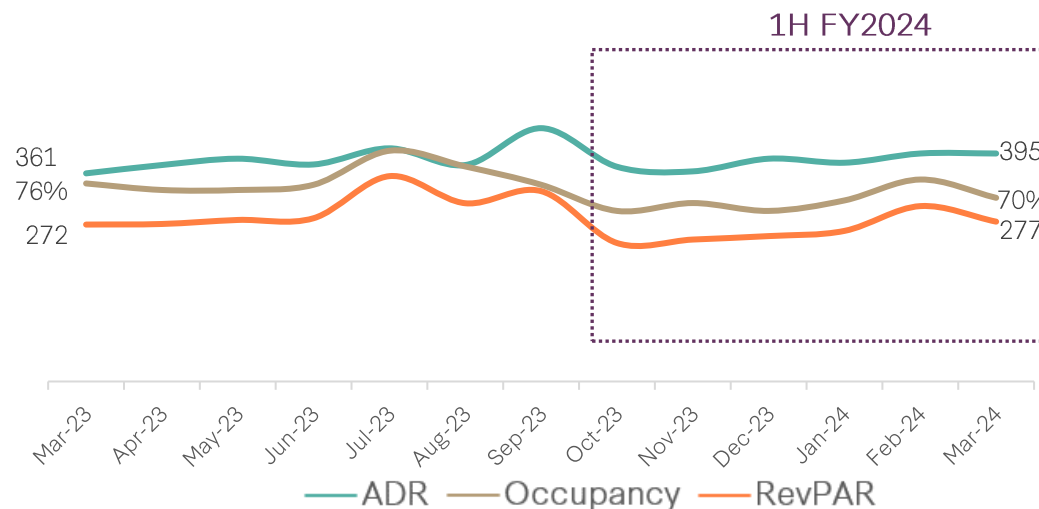
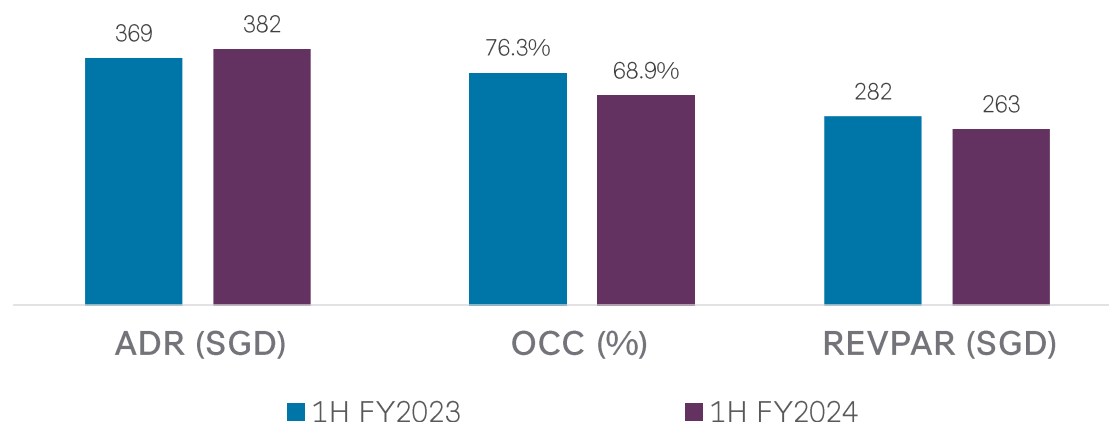
Mixed performance across hospitality portfolio in 1H FY2024

Country	Gross Operating Revenue (GOR)		Gross Operating Profit (GOP)	
	Local currency (million)	YoY change	Local currency (million)	YoY change
Singapore	48.3	▼4.4%	17.3	▼20.6%
Australia	42.6	▲8.4%	20.4	▲5.3%
UK	12.7	▼3.5%	5.1	▼7.6%
Japan ¹	2,266.4	▲24.3%	682.9	▲55.7%
Malaysia	53.7	▲19.8%	19.1	▲30.1%
Germany	6.9	▲20.5%	2.6	▲31.5%

1. Excluding contribution from Koto no Hako Kobe, retail component of ANA Crowne Plaza Kobe

Singapore

InterContinental Singapore (ICSG) | Fraser Suites Singapore (FSSG)



Moderate growth in the short-stay segment while extended stay market remains challenged

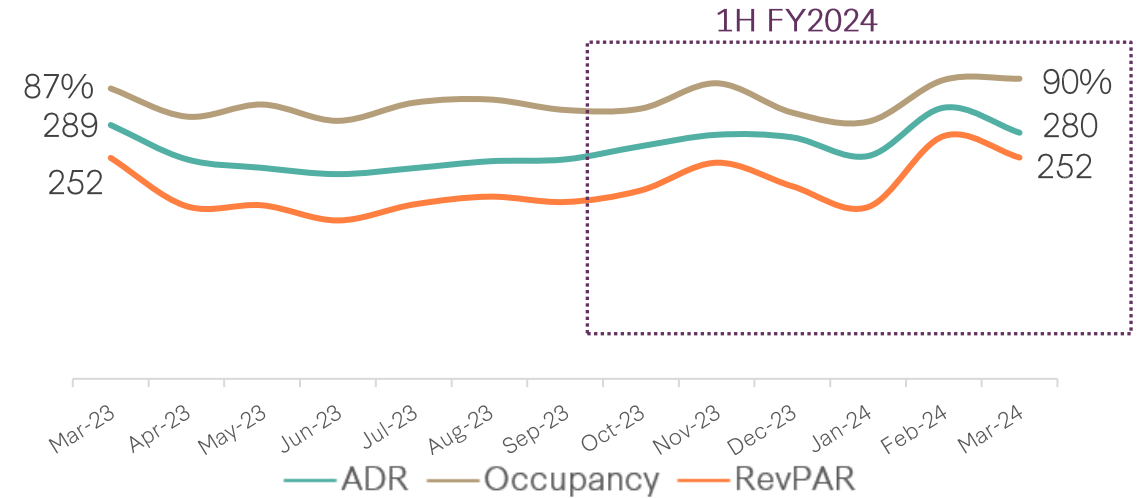
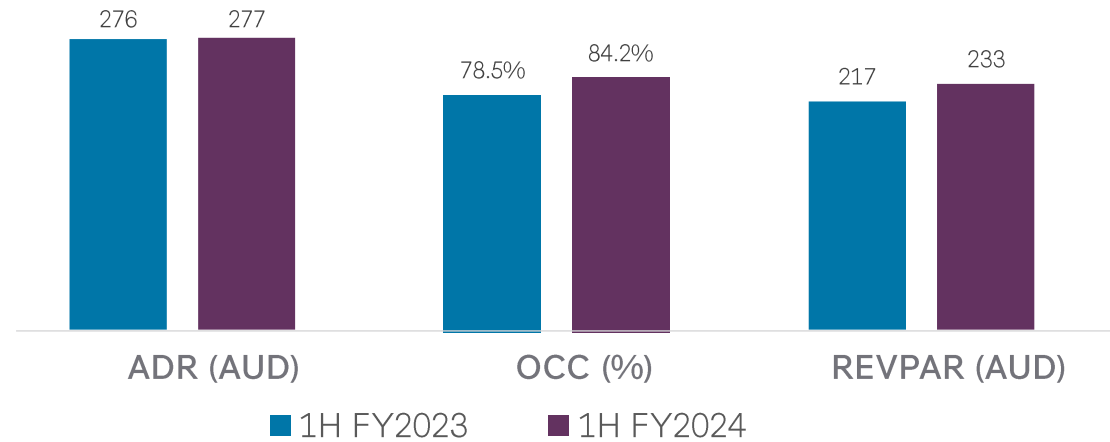
- > Singapore portfolio's ADR grew 3.4% YoY in 1H FY2024. While short-stay segment occupancy continues to remain resilient, the extended-stay segment saw YoY decline in occupancy. Consequently, portfolio occupancy and RevPAR declined 7.5pp and 6.7% respectively in 1H FY2024
- > Supported by major events, ICSG occupancy is in tandem with market for 1H FY2024. The pent-up demand that drove FSSG's strong performance in 1H FY2023 began to normalize in 1H FY2024 due to easing of relocation demand and a slowdown in long-stay market, impacted by a decline in the average length of stay to 3.45 days¹
- > Despite an increase in tourism arrivals, a strong Singapore dollar caused Singapore to become a relatively more expensive destination for business and leisure impacting price sensitive segments

1. Singapore Tourism Board, Singapore Tourism analytics - visitor arrivals, Apr 2024 for period between Oct 2023 to Mar 2024

Australia

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

Novotel Sydney Darling Square (NSDS)



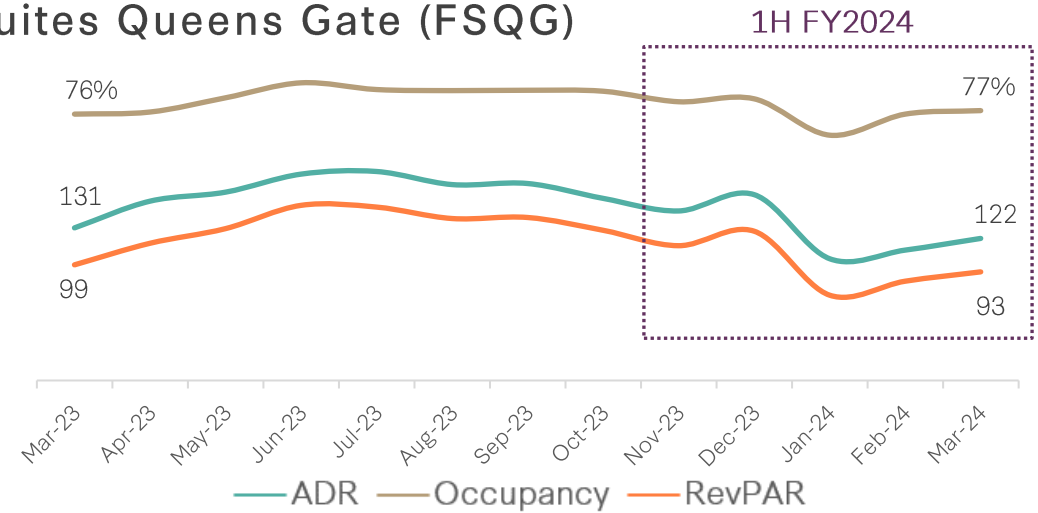
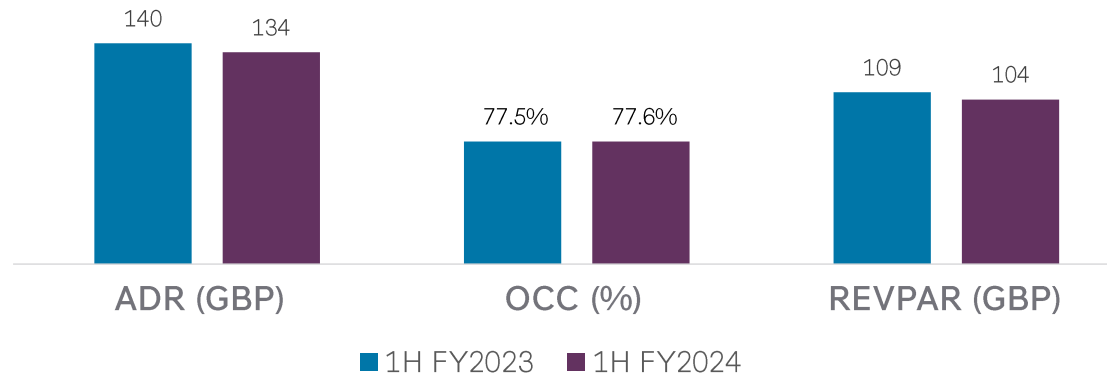
Continued growth supported by occupancy

- > Overall portfolio's RevPAR performance continued its upward trajectory, driven by increased number of major events and stronger demand for corporate, group, and leisure segments
- > Australia portfolio's RevPAR in 1H FY2024 increased by 7.8% YoY, supported by growth in occupancy
- > ADR growth remained muted due to new supply addition in the Melbourne market which increased 5.3% YoY

United Kingdom (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)

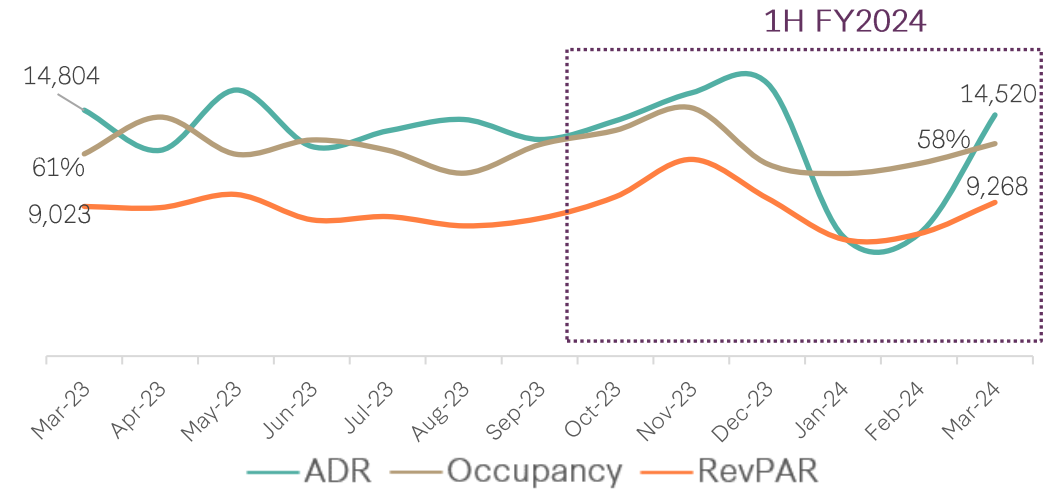
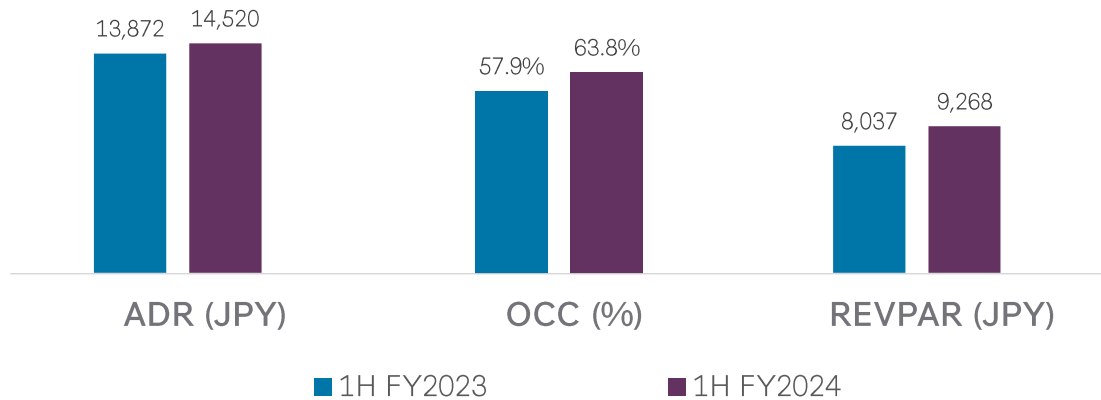


Moderate decline in performance YoY as the surge in ADR post pandemic subsides

- > UK portfolio's RevPAR declined 4.4% YoY in 1H FY2024, weighed down by a dip in ADR
- > ADR softened moderately by 4.4% to maintain optimal occupancy levels, aligning with broader market trends
- > VisitBritain forecasts a positive 5% YoY growth in inbound visits to the UK for calendar year 2024, projecting a total of 39.5 million visits

Japan

ANA Crowne Plaza Kobe (CPK)

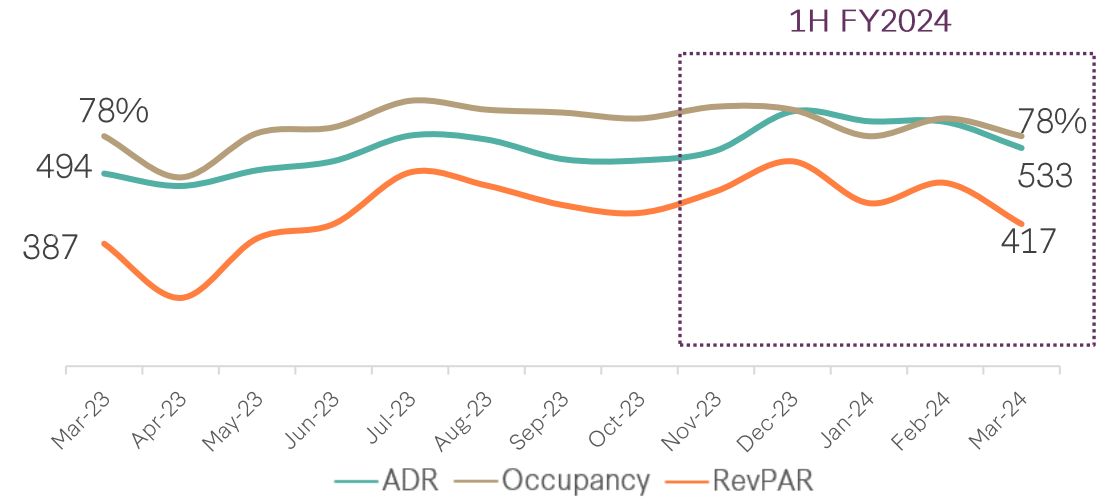
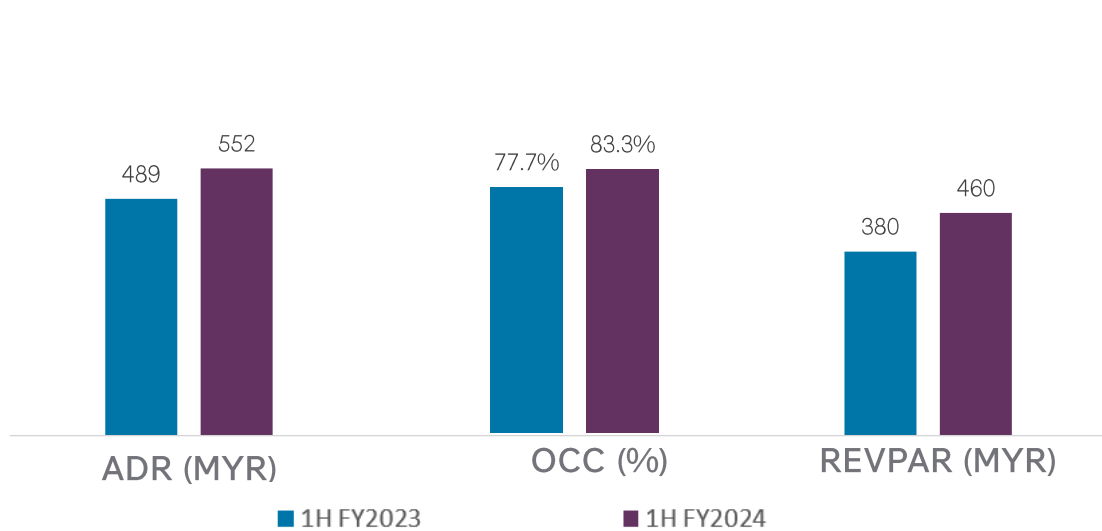


Positive improvements in all operating metrics

- > CPK's RevPAR improved 15.3% YoY, supported by the spillover demand from strong inbound tourism into Japan with the weakening Japanese Yen
- > In line with the recovery of the hospitality market in Kobe, ADR and occupancy saw YoY increment of 4.7% and 5.9 pp in 1H FY2024 respectively
- > However, labour shortage issues and cost pressures are undermining the hotel's performance

Malaysia

The Westin Kuala Lumpur (TWKL)



Strong YoY rebound in all operating metrics

- > TWKL's RevPAR grew 20.9% YoY in 1H FY2024, supported by strong occupancy and ADR growth
- > ADR and occupancy grew by 12.8% and 5.6pp YoY in 1H FY2024 respectively, boosted by strong corporate and leisure demand
- > According to Tourism Malaysia, the country welcomed 20.1 million foreign tourists in 2023, marking a 100% increase over 2022. Malaysia aims to achieve 27.3 million tourist arrivals in 2024

Germany

Maritim Hotel Dresden (MHD)



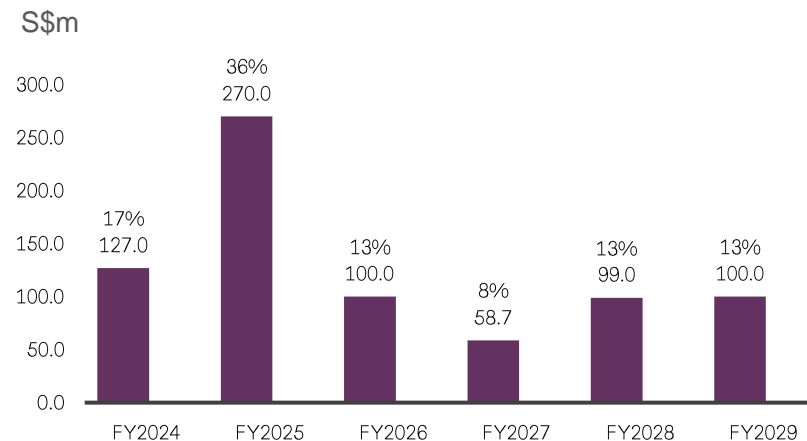
- > MHD's performance showed further YoY improvement in 1H FY2024, underpinned by stronger ADR growth and supported by a recovery in domestic travel following lifted travel restrictions

Proactive capital management

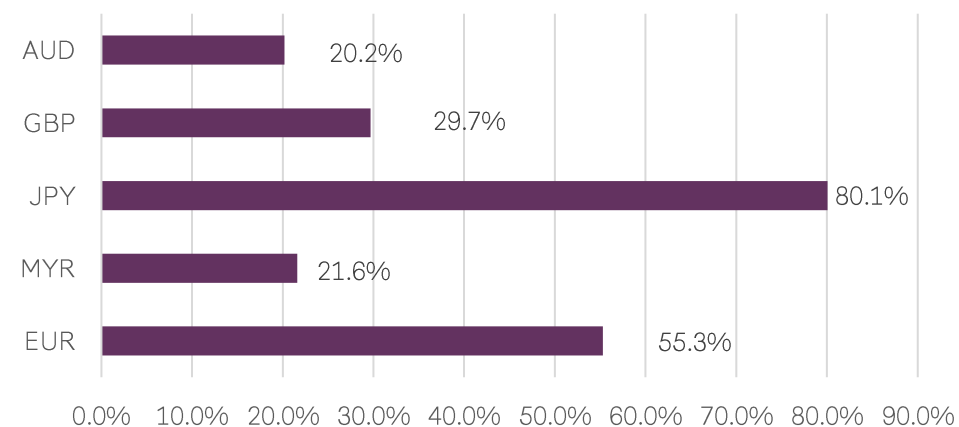
As at 31 Mar 2024

Investment properties	SGD 1,758.3 million
Property, plant and equipment	SGD 208.6 million
Total assets	SGD 2,126.9 million
Total borrowings (net of transaction costs)	SGD 752.6 million
Aggregate leverage ratio ^{1,2}	35.5%
Net asset value per stapled security	SGD 0.6618
Weighted average years to loan maturity	2.08 years
Unsecured debt	96.4%
Effective cost of borrowing ²	3.4%
Borrowings on fixed rates	75.1%
Interest coverage ratio ("ICR") ^{3,4}	3.1 times
Adjusted ICR^{1,3}	3.1 times

Debt maturity profile



Balance Sheet Hedging



1. Aggregated leverage ratio could exceed 45% (up to a maximum of 50%) only if the Adjusted ICR exceeds 2.5 times.

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

3. ICR and Adjusted ICR are as prescribed under the MAS' Property Funds Appendix (last revised on 23 May 2023). The interest coverage ratio computed for loan covenant purpose is 3.2 times as at 31 March 2024 (exclude amortisation of upfront costs).

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



Looking Ahead

Macro uncertainty could dampen travel outlook



Global travel demand

> World Tourism Organisation expects international tourism to fully recover to pre-COVID levels in 2024 but this remains highly dependent on Asia's recovery pace and the evolution of existing economic and geopolitical challenges



Global GDP growth

> The International Monetary Fund (IMF) has projected global economic growth of 3.2% in 2024 and 2025, below the historical average of 3.8%. As inflation subsides, it expects the global economy to stay resilient but cautioned that challenges remained



Geopolitical tensions

> Geopolitical tensions in Ukraine and the Middle East could have a strong impact by limiting economic growth, raising commodity prices and inflation



FX volatility

> SGD is expected to remain strong in 2024 as the Monetary Authority of Singapore has maintained that sustained appreciation of its currency policy band is necessary to curb imported inflation and cost pressures.



Interest rates

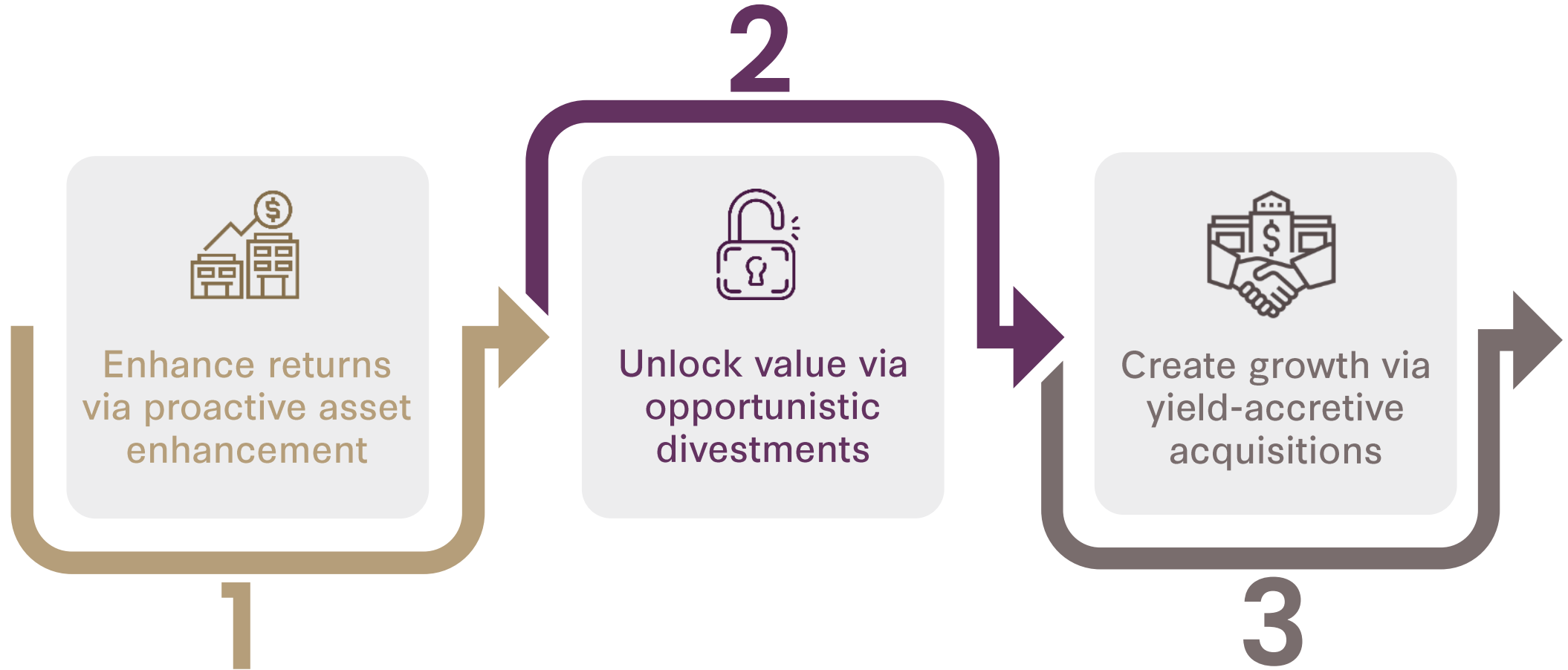
> Markets appear excessively optimistic on the prospects for early rate cuts by major central banks. A repricing could increase long-term interest rates and trigger more rapid fiscal consolidation that would weigh on growth prospects.



China's outbound travel recovery

> Continued restoration of international flight capacity could see further recovery in China's outbound tourism which would need more time to return to pre-pandemic levels

Proactive Portfolio Reconstitution & Asset Management Strategy



Our Commitment to ESG



Commitment to high ESG standards



Target to achieve
Net Zero Carbon
status by 2050



Targets in alignment with
Frasers Property's
ESG Roadmap

External recognition



Score: 82 | Rating: 4 Stars
FHT ranked 3rd in APAC Hotel
Listed category in 2023



InterContinental Singapore
accorded **BCA Green Mark**
GoldPLUS certification



NABERS ratings
attained by Australia portfolio







BREEAM ratings
attained by UK portfolio

Inspiring experiences,
creating places for good.







Hotels Managed by Third-Party Operators

	Property	Country	Description	Tenure	Class	Rooms	Valuation as at 30 Sep 2023
	Novotel Melbourne on Collins	Australia	Strategically located within Melbourne's core CBD area along Collins Street	Freehold	Upscale	380	A\$239.0 million (A\$0.6 million/key)
	Novotel Sydney Darling Square	Australia	4.5-star hotel located within close proximity of Sydney's Darling Harbour and Chinatown	84 years ¹	Upscale	230	A\$115.0 million (A\$0.5 million/key)
	InterContinental Singapore	Singapore	Only 5-star luxury hotel in Singapore to preserve Peranakan heritage in a shop house style setting	75 years ¹	Luxury	406	S\$515.0 million (S\$1.3 million/key)
	ibis Styles London Gloucester Road	UK	Distinctive white Victorian facade located in the heart of London	75 years ¹	Mid-scale	84	£22.0 million (£0.3 million/key)

1. Commencing from 14 Jul 2014 (Fraser's Hospitality Trust's listing date)







Hotels Managed by Frasers Hospitality and Third-Party Operators

	Property	Country	Description	Tenure	Class	Rooms	Valuation as at 30 Sep 2023
	Park International London	UK	Elegant hotel ideally located in the heart of Kensington and Chelsea	75 years ¹	Upscale	171	£42.6 million (£0.2 million/key)
	ANA Crowne Plaza Kobe	Japan	Unique panoramic view of Kobe city from Rokko mountain	Freehold	Upper Upscale	593	¥17,100.0 million ² (¥28.8 million/key)
	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	RM440.0 million (RM1.0 million/key)
	Maritim Hotel Dresden	Germany	Heritage-listed and located in the historical city centre of Dresden, capital city of the eastern German state of Saxony	Freehold	Upscale	328	€55.9 million (€0.2 million/key)

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

2. Excluding Koto no Hako Kobe, retail component of ANA Crowne Plaza Kobe. As at 31 Mar 2024, Koto no Hako Kobe comprises 22,431 sqm of NLA, with carrying value of JPY3.68 billion

Serviced Residences Managed by Frasers Hospitality

	Property	Country	Description	Tenure	Class	Rooms	Valuation as at 30 Sep 2023
	Fraser Suites Sydney	Australia	First luxury apartments in Sydney designed by internationally renowned architects	75 years ¹	Upper Upscale	201	A\$140.0 million (A\$0.7 million/key)
	Fraser Suites Singapore	Singapore	Luxurious serviced residences in the prime residential district of River Valley	75 years ¹	Upper Upscale	255	S\$300.0 million (S\$1.2 million/key)
	Fraser Suites Edinburgh	UK	Rustic 1750s sandstone building located in the heart of Edinburgh's Old Town	75 years ¹	Upper Upscale	75	£17.6 million (£0.2 million/key)
	Fraser Suites Glasgow	UK	Stunningly restored 1850s building which was formerly the city bank of Glasgow	75 years ¹	Upper Upscale	98	£10.2 million (£0.1 million/key)
	Fraser Suites Queens Gate London	UK	Beautiful Victorian apartment hotel in Kensington	75 years ¹	Upper Upscale	105	£57.9 million (£0.6 million/key)
	Fraser Place Canary Wharf London	UK	Stunning apartments located by the River Thames, showcasing chic contemporary design	75 years ¹	Upper Upscale	108	£37.3 million (£0.3 million/key)

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