

Frasers Hospitality Trust

Business Updates for 3Q FY2024

1 August 2024



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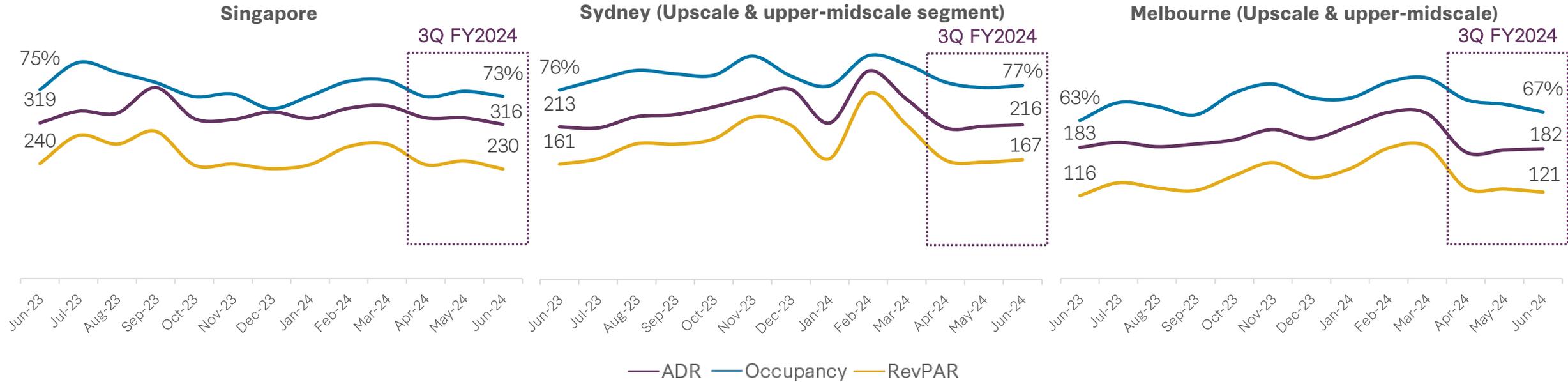
This presentation has not been reviewed by the Monetary Authority of Singapore (**MAS**).

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



Key Market Updates

Market Trends Across Key Cities

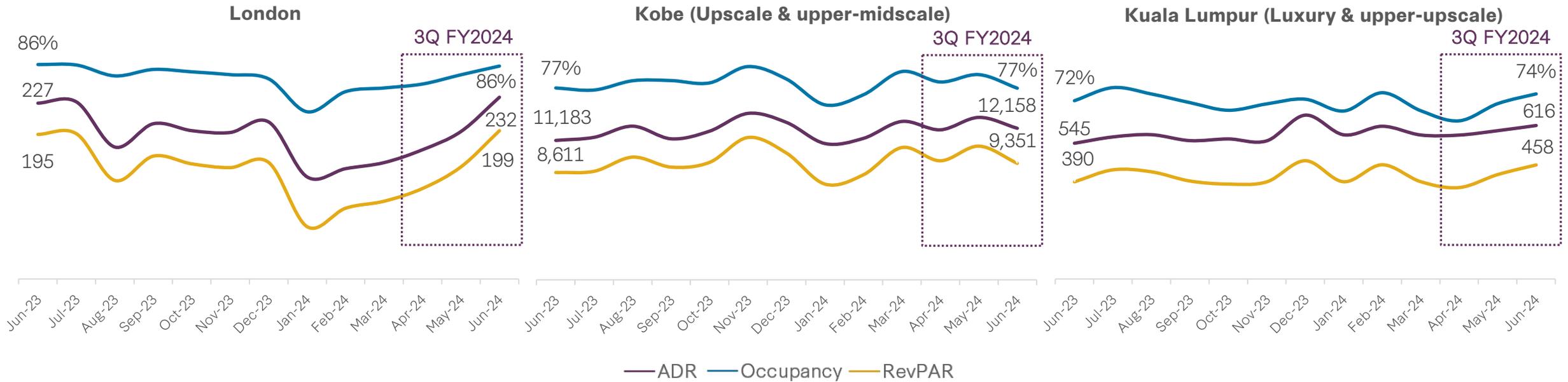


- After a strong 2Q FY2024, driven by events such as the Singapore Airshow and major concerts, the Singapore hotel market softened in 3Q FY2024
- This reflects the easing of pent-up demand and decreased attractiveness due to a stronger local currency

- In 2Q FY2024, Sydney's hotel market grew due to improvements in corporate, group, and leisure segments and the resumption of major events
- Moving into 3Q FY2024, the market has softened but remains supported by transient segment demand

- Melbourne's hotel market recovery was boosted by major events, with March 2024 achieving the highest occupancy rates since the pandemic
- Market continues to gradually absorb the new supply over the past nine months, which has intensified competition

Market Trends Across Key Cities



- Overall YoY growth of London's hotel market in 3Q FY2024 remains relatively muted, with growth driven mostly by ADR
- ADR uptrend in the city is supported by strong demand from the corporate and transient segments

- Kobe's hotel market performance in terms of occupancy was stable but witnessed better ADR due to the "Golden Week" in May. The holiday period significantly boosted leisure travel, leading to higher room rates

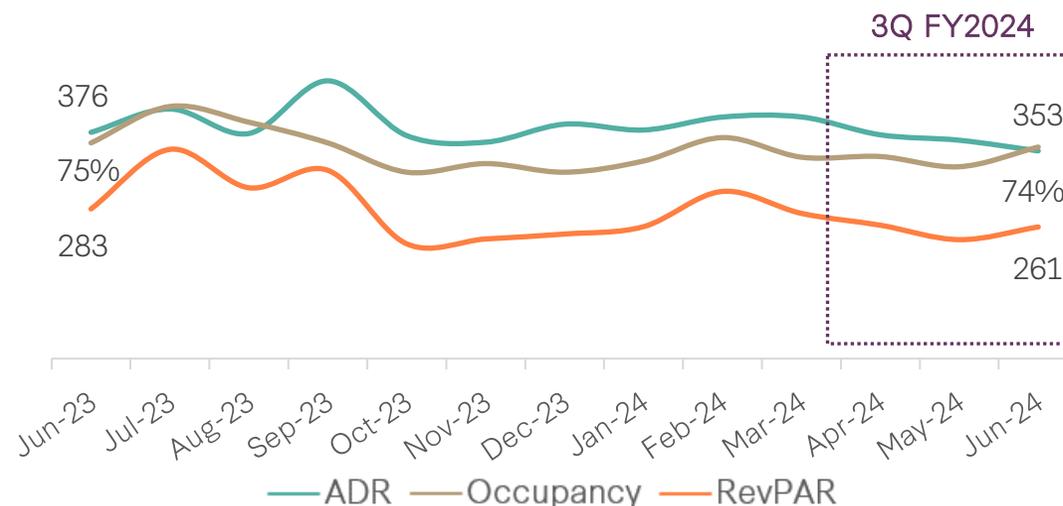
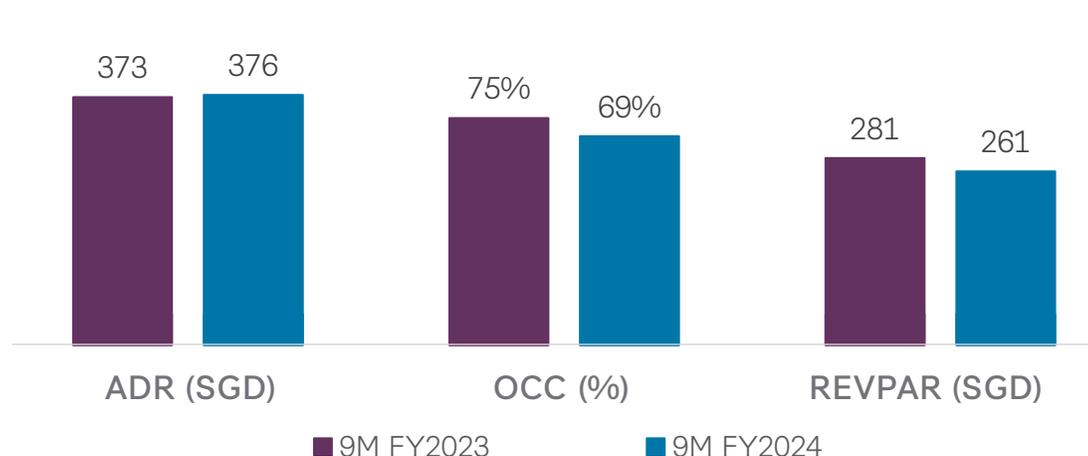
- Kuala Lumpur's hotel market continues to perform well, driven by strong domestic corporate demand and a steady recovery in leisure demand, alongside increasing international visitor arrivals



Portfolio Performance

Singapore

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



Softer performance due to rising competitive pressures and easing of pent-up travel demand

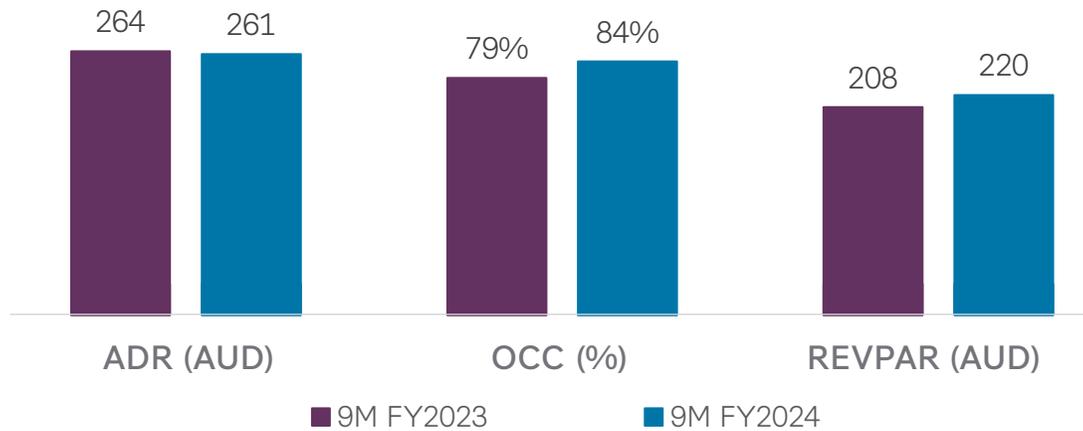
- > In 9M FY2024, the Singapore portfolio saw a 6.0 pp decline in occupancy, while ADR grew by 0.9% YoY, resulting in a 7.2% YoY drop in RevPAR. This was largely due to the easing of pent-up travel demand, cost inflation and relatively strong SGD affecting inbound travel. Notably, inbound travel from China has yet to fully recover to pre-pandemic levels
- > FSSG's extended stay segment was impacted by a rising supply of private residential units, which has compressed rental yields and created a more competitive environment for the relocation segment. In Jan 2024, condominium rental listings increased threefold from a year ago¹
- > In 9M FY2024, visitor arrivals to Singapore had an average length of stay (ALOS) of 3.5 days, down from 4.0 days in the same period last year². The decrease in ALOS has affected the overall demand for hospitality, impacting both the extended stay and hotel segments

1. The Business Times, "Condo rental market shifts: Landlords hit by high supply of newly completed units", 4 Mar 2024

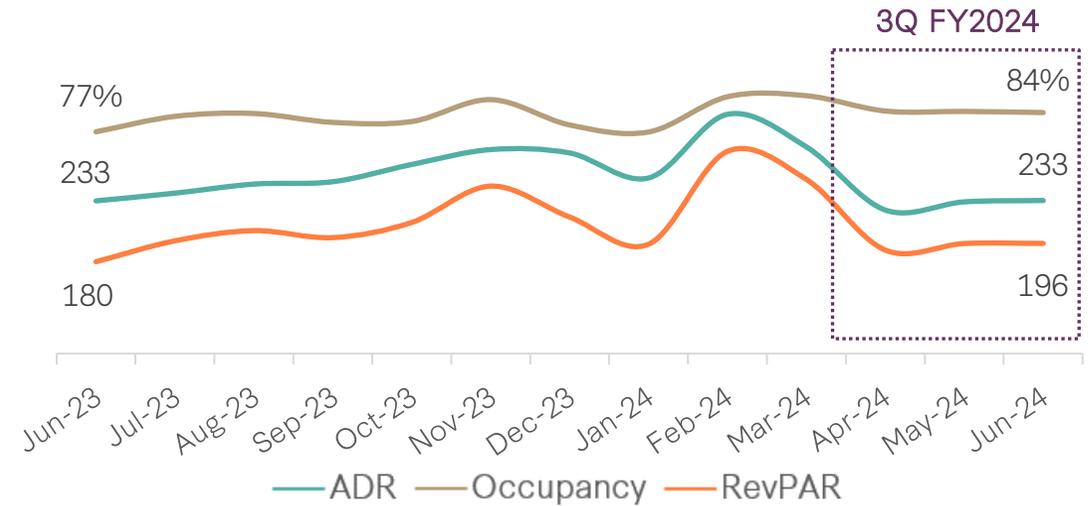
2. Sources: Singapore Tourism Analytics Network, Jul 2024

Australia

Fraser Suites Sydney (FSS)
Novotel Sydney Darling Square (NSDS)



Novotel Melbourne on Collins (NMOC)

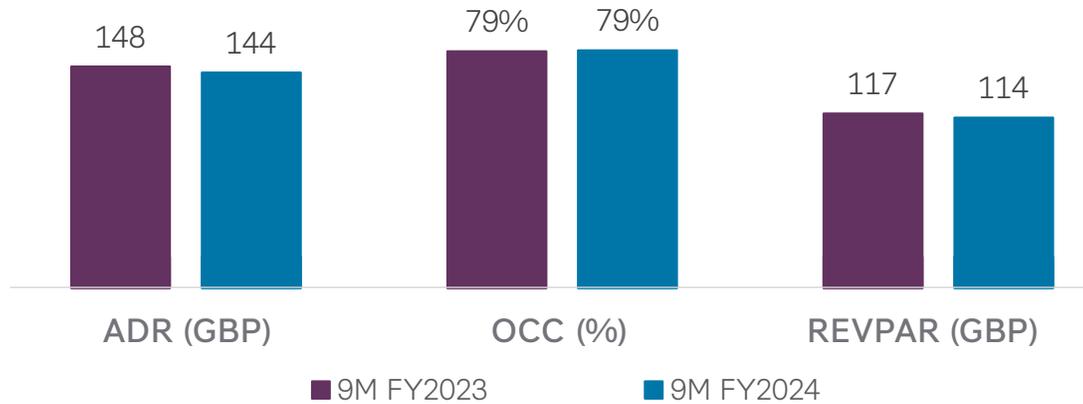


Sustained RevPAR growth backed by key demand drivers

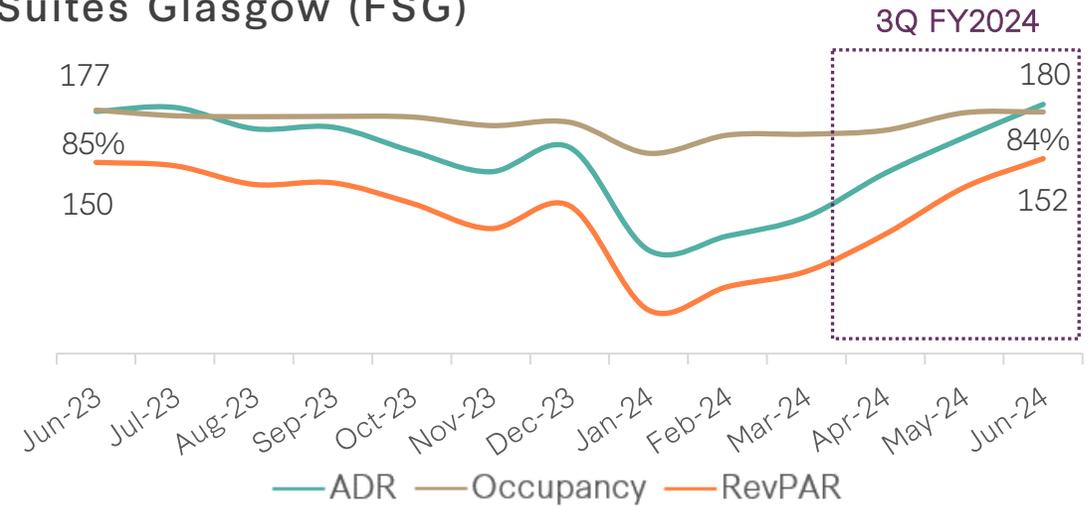
- > According to the Australian Bureau of Statistics, short-term visitor arrivals from Oct 2023 to May 2024 reached approximately 5.6 million exceeding pre-pandemic levels by 30.4%¹
- > In 9M FY2024, the Australia portfolio achieved an occupancy-driven RevPAR growth of 5.8% YoY supported by major city-wide events and stronger demand across the corporate, group and leisure segments
- > ADR decreased marginally by 1.0% YoY in 9M FY2024, mainly due to new supply in the Melbourne market still being absorbed

United Kingdom (UK)

Fraser Suites Queens Gate (FSQG)
 Park International London (PIL)
 Fraser Place Canary Wharf (FPCW)



ibis Styles London Gloucester Road (ISLG)
 Fraser Suites Edinburgh (FSE)
 Fraser Suites Glasgow (FSG)



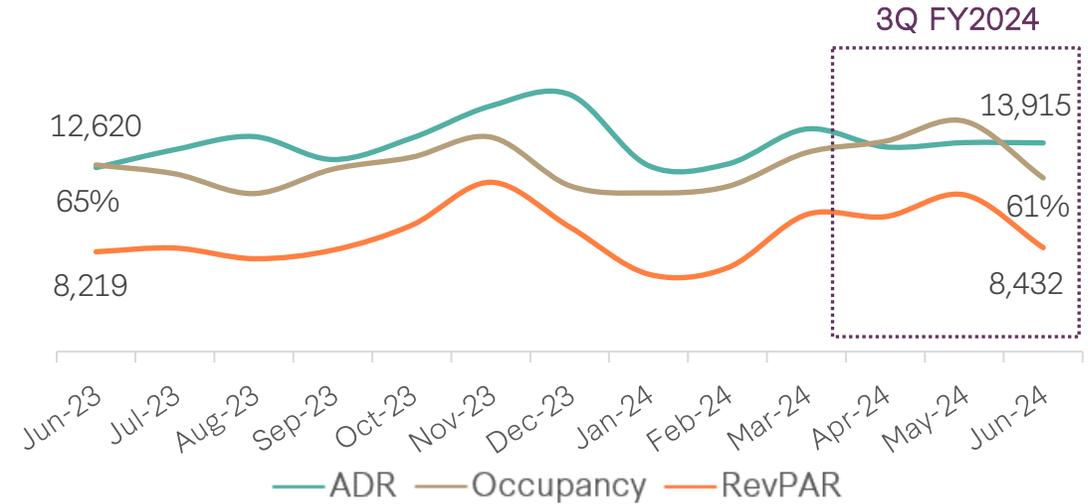
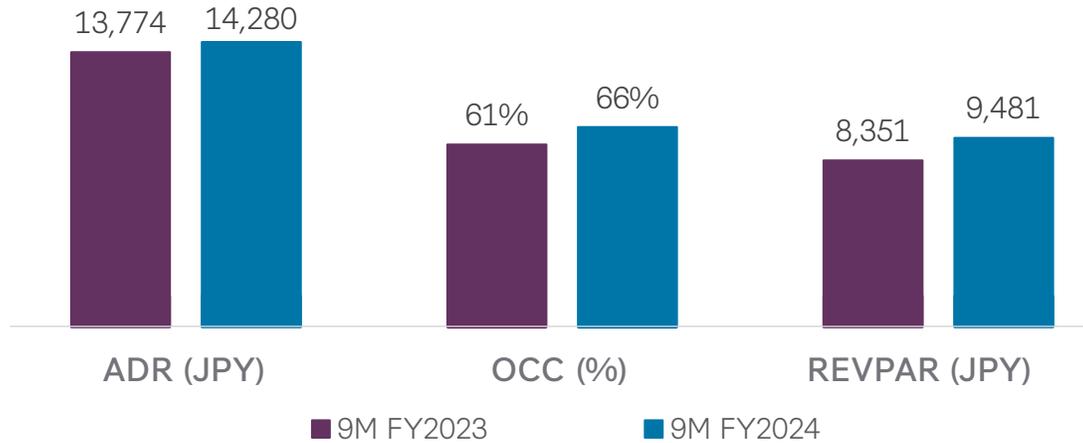
Moderate decline in performance due to market movement

- > Demand for corporate and transient travel continued to recover gradually amidst challenging market and economic conditions, whilst demand in the extended-stay segment declined across most properties
- > In 9M FY2024, the UK portfolio's RevPAR declined by 2.4% YoY, weighed down by a 3.0% YoY decrease in ADR to maintain optimal occupancy levels in the midst of repair and maintenance work across some properties
- > For 2024, VisitBritain forecasts 38.7 million inbound visits, representing 95% of the 2019 levels¹

1. VisitBritain, "2024 inbound tourism forecast", May 2024

Japan

ANA Crowne Plaza Kobe (CPK)



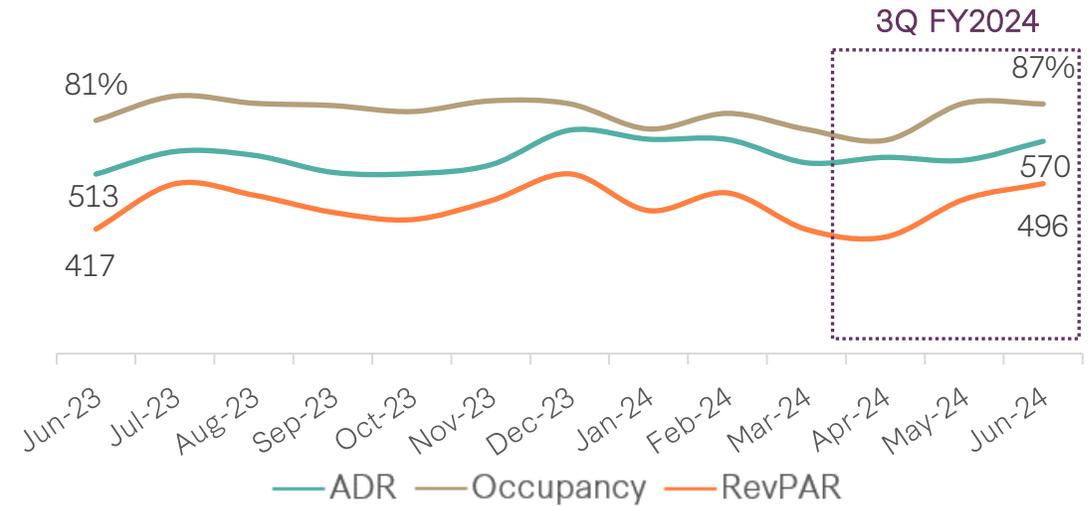
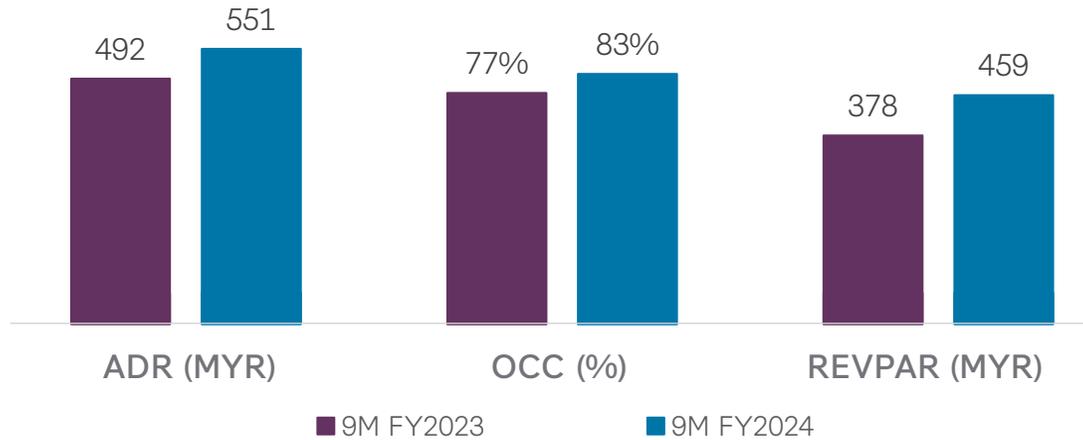
Strong demand supported gains in both Occupancy and ADR

- > Japan National Tourism Organization reported 17.8 million international visitor arrivals in Jan-Jun 2024, exceeding pre-pandemic levels by 6.9%¹. While the robust growth from inbound visitors is more evident in Tokyo and Osaka, moderate growth was observed in Kobe
- > In 9M FY2024, CPK's RevPAR increased 13.5% YoY driven by growth in occupancy and ADR, due to the favourable JPY and supported by the return of MICE business and leisure segment
- > Labour shortage issues and cost pressures continue to weigh on the hotel's performance
- > Committed occupancy of Koto no Hako Kobe (retail component of CPK) as at 30 Jun 2024: 60.7%

1. Japan National Tourism Organization, Jul 2024

Malaysia

The Westin Kuala Lumpur (TWKL)



Substantial improvement in all operating metrics

- > Continued recovery of the transient and corporate segment demand, in part due to attractive MYR, provided a favorable trading environment in Kuala Lumpur
- > TWKL's RevPAR grew 21.5% YoY in 9M FY2024 boosted by strong a 12.1% growth in ADR
- > According to Tourism Malaysia, the country recorded 5.8 million tourist arrivals in the first quarter of 2024, a growth of 32.5% compared to the previous year¹

1. Tourism Malaysia, "Tourism Malaysia Unveils Strategic Roadmap for Visit Malaysia 2026", 30 Apr 2024

Germany

Maritim Hotel Dresden (MHD)



Sustained recovery supported by higher ADR

- > MHD's performance further improved YoY in 9M FY2024, supported by the recovery in domestic travel and the return of MICE business
- > Performance continued to be underpinned by stronger ADR growth transiting into the summer months

Risk and Capital Management

Proactive Capital Management

As at 30 Jun 2024

Aggregate leverage ratio^{1,2} **35.3%**

Net asset value per stapled security **S\$0.66**

Weighted average debt to maturity **1.79 years³**

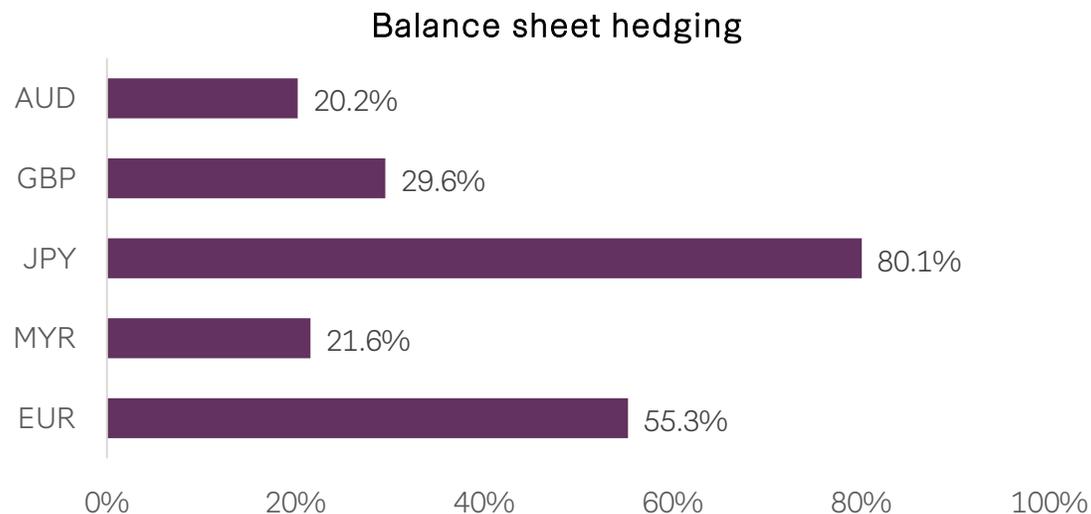
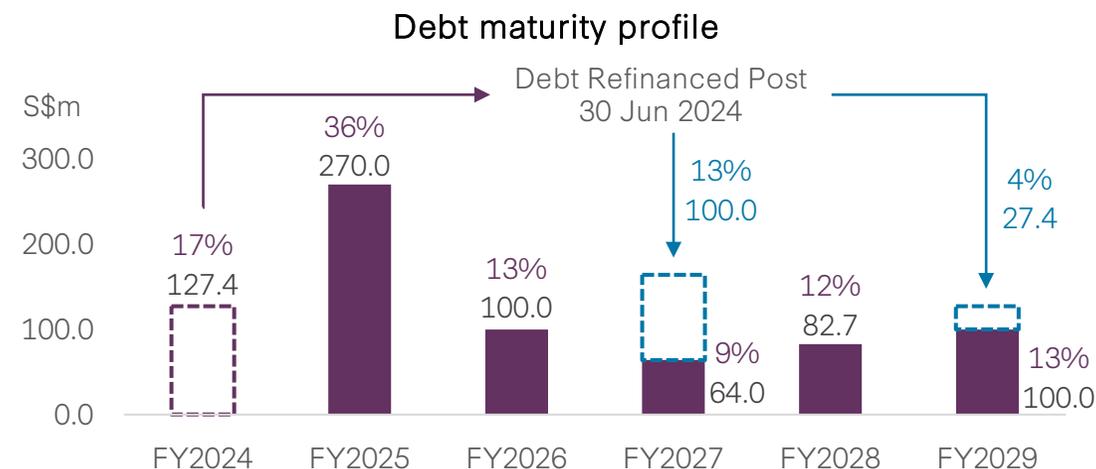
Unsecured debt **96.3%**

Effective cost of borrowing² **3.5%**

Borrowings on fixed rates **76.1%**

Interest coverage ratio^{4,5} **3.0 times**

Adjusted interest coverage ratio^{1,4,5} **3.0 times**



1. Aggregate leverage ratio could exceed 45% (up to a maximum of 50%) only if the adjusted interest coverage ratio exceeds 2.5 times

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

3. Post refinancing of the borrowings that are maturing in FY2024, the weighted average debt to maturity has increased to 2.39 years on a proforma basis

4. Interest coverage ratio and adjusted interest coverage ratio are as prescribed under the MAS' Property Funds Appendix (last revised on 23 May 2023)

5. 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



Looking Ahead

Outlook



Global travel demand

- > UNWTO expects international tourism to fully recover to pre-COVID levels in 2024
- > Initial estimates point to 2% growth above the 2019 levels



Global GDP growth

- > The International Monetary Fund (IMF) has projected global economic growth of 3.2% in 2024 and 3.3% in 2025
- > Overall, risks to the outlook remain balanced, but some near-term risks have gained prominence



Geopolitical tensions

- > Geopolitical tensions in the Middle East and the Russia-Ukraine conflict could disrupt commodity prices and supply chains



FX volatility

- > The Monetary Authority of Singapore (MAS) has maintained the prevailing rate of appreciation of the Singapore dollar nominal effective exchange rate policy band



Interest rates

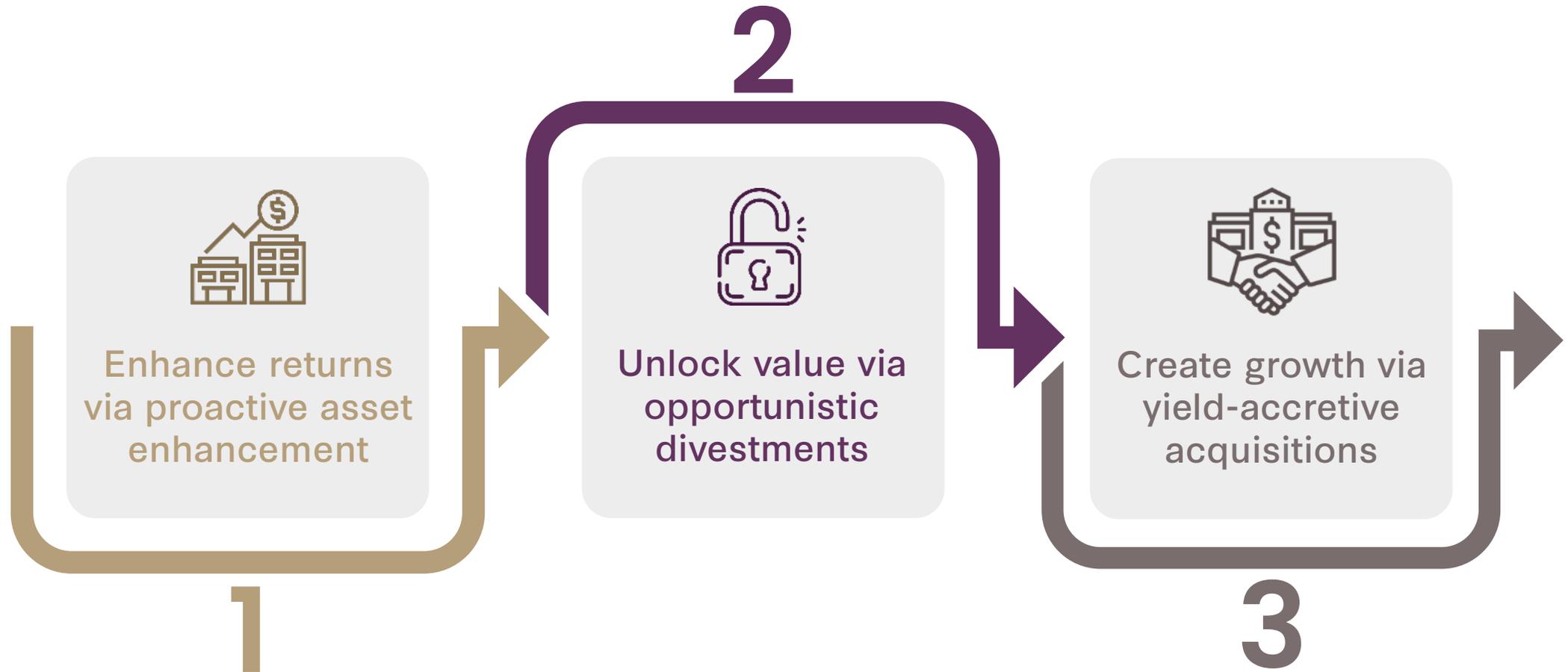
- > Markets appear optimistic on the prospects of a rate cut in 2H 2024 by the Federal Reserve



China's outbound travel recovery

- > International tourism is expected to recover completely in 2024 backed by strong demand, enhanced air connectivity and the continued recovery of China and other major Asian markets

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
Sustainability Roadmap

External recognition



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



InterContinental Singapore
accorded **BCA Green Mark**
Gold^{PLUS} 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 mil (A\$0.6 mil/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 mil (A\$0.5 mil/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 mil (S\$1.3 mil/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 mil (£0.3 mil/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 mil (£0.2 mil/key)
	ANA Crowne Plaza Kobe	Japan	Unique panoramic view of Kobe city from Rokko mountain	Freehold	Upper Upscale	593	¥17,100.0 mil ² (¥28.8 mil/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 mil (RM1.0 mil/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 mil (€0.2 mil/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 mil (A\$0.7 mil/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 mil (S\$1.2 mil/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 mil (£0.2 mil/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 mil (£0.1 mil/key)
	Fraser Suites Queens Gate London	UK	Beautiful Victorian apartment hotel in Kensington	75 years ¹	Upper Upscale	105	£57.9 mil (£0.6 mil/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 mil (£0.3 mil/key)

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