

**FRASERS HOSPITALITY TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019**

Frasers Hospitality Trust ("FHT" or the "Trust") is a stapled trust comprising Frasers Hospitality Real Estate Investment Trust ("FH-REIT") and Frasers Hospitality Business Trust ("FH-BT"). FHT is established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate located anywhere in the world except Thailand, which is used primarily for hospitality and/or hospitality-related purposes, as well as real estate-related assets in connection to the foregoing.

The portfolio of FHT comprises 15 properties, comprising nine hotels (the "Hotels") and six serviced residences (the "Serviced Residences", and together with the Hotels, the "Properties"), with a total of 3,071 hotel rooms and 842 Serviced Residence units. The Properties are located in Singapore, Australia, the United Kingdom, Japan, Malaysia and Germany.

Hotels	Market Segment*	Number of Rooms
InterContinental Singapore	Luxury	406
Sofitel Sydney Wentworth	Luxury	436
ANA Crowne Plaza Kobe	Upper Upscale	593
The Westin Kuala Lumpur	Upper Upscale	443
Maritim Hotel Dresden	Upscale	328
Novotel Melbourne on Collins	Upscale	380
Novotel Sydney Darling Square	Mid-scale	230
Park International London	Mid-scale	171
ibis Styles London Gloucester Road	Mid-scale	84
Total		3,071

Serviced Residences	Market Segment*	Number of Units
Fraser Suites Singapore	Upper Upscale	255
Fraser Suites Sydney	Upper Upscale	201
Fraser Place Canary Wharf	Upper Upscale	108
Fraser Suites Queens Gate	Upper Upscale	105
Fraser Suites Glasgow	Upper Upscale	98
Fraser Suites Edinburgh	Upper Upscale	75
Total		842

* Based on STR Global Chain Scales

Distribution Policy

Distributions from FHT comprise distributions from FH-REIT and FH-BT.

FH-REIT's distribution policy is to distribute 100.0% of FH-REIT's distributable income for the period from the listing date of FHT (being 14 July 2014) to 30 September 2015 and at least 90.0% of its distributable income thereafter.

FH-BT's distribution policy will be to distribute as much of its income as practicable, and the declaration and payment of distributions by FH-BT will be at the sole discretion of the Board of Directors of Frasers Hospitality Trust Management Pte. Ltd. (the "Trustee-Manager").

Distributions are made on a semi-annual basis, with the amount calculated as at 31 March and 30 September each year for the six-month periods ending on each of the said dates. Frasers Hospitality Asset Management Pte. Ltd. (the "REIT Manager") and the Trustee-Manager (collectively, the "Managers") are required to pay distributions within 90 days of the end of each distribution period. Distributions, when paid, will be in Singapore dollars.

1 (a) (i) Consolidated Statements of Total Return and Statements of Comprehensive Income for 1Q 2020 and 1Q 2019

Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	1Q 2020			1Q 2019			Variance		
	1 Oct 2019 to 31 Dec 2019			1 Oct 2018 to 31 Dec 2018			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Master lease rental	33,291	37,428	-	30,977	35,419	-	7.5	5.7	-
Room revenue	6,904	-	6,904	7,292	-	7,292	(5.3)	-	(5.3)
Food & beverage revenue	1,509	-	1,509	1,651	-	1,651	(8.6)	-	(8.6)
Other income	663	-	663	707	-	707	(6.2)	-	(6.2)
Gross revenue	42,367	37,428	9,076	40,627	35,419	9,650	4.3	5.7	(5.9)
Property tax	(2,230)	(2,230)	-	(2,375)	(2,375)	-	(6.1)	(6.1)	-
Property insurance	(326)	(303)	(23)	(305)	(284)	(21)	6.9	6.7	9.5
Property management fees	(1,334)	(1,334)	-	(1,348)	(1,348)	-	(1.0)	(1.0)	-
Other property expenses	(733)	(733)	-	(722)	(722)	-	1.5	1.5	-
Operations and maintenance expenses	(1,654)	(75)	(1,840)	(1,658)	(12)	(1,922)	(0.2)	>100.0	(4.3)
Energy and utilities expenses	(190)	-	(190)	(191)	-	(191)	(0.5)	-	(0.5)
Hotel management fee	(267)	-	(267)	(285)	-	(285)	(6.3)	-	(6.3)
Rental expense	-	-	(2,765)	-	-	(4,442)	-	-	(37.8)
Staff costs	(1,619)	-	(1,619)	(1,811)	-	(1,811)	(10.6)	-	(10.6)
Marketing expenses	(636)	-	(636)	(683)	-	(683)	(6.9)	-	(6.9)
Administrative expenses	(212)	-	(212)	(187)	-	(187)	13.4	-	13.4
Property operating expenses	(9,201)	(4,675)	(7,552)	(9,565)	(4,741)	(9,542)	(3.8)	(1.4)	(20.9)
Net property income	33,166	32,753	1,524	31,062	30,678	108	6.8	6.8	>100.0
Depreciation	(980)	-	(1,084)	(993)	-	(154)	(1.3)	-	>100.0
REIT Manager's management fees	(1,940)	(1,940)	-	(1,826)	(1,826)	-	6.2	6.2	-
Trustee-Manager's management fees	(13)	-	(13)	(12)	-	(12)	8.3	-	8.3
Other management fees	(1,309)	(1,309)	-	(1,341)	(1,341)	-	(2.4)	(2.4)	-
Trustees' fees	(124)	(124)	-	(125)	(125)	-	(0.8)	(0.8)	-
Other trust expenses	(914)	(889)	(25)	(702)	(686)	(16)	30.2	29.6	56.3
Finance income	71	69	2	91	82	9	(22.0)	(15.9)	(77.8)
Amortisation of debt upfront costs	(206)	(206)	-	(295)	(295)	-	(30.2)	(30.2)	-
Finance costs	(5,044)	(5,044)	(610)	(5,029)	(5,029)	-	0.3	0.3	100.0
Total return before foreign exchange differences, fair value changes and tax	22,707	23,310	(206)	20,830	21,458	(65)	9.0	8.6	>100.0
Foreign exchange gain/(loss), net	178	170	8	4	12	(8)	>100.0	>100.0	NM
Net change in fair value of derivative financial instruments	(312)	(312)	-	142	142	-	NM	NM	-
Realised gain on derivative financial instruments, net	215	215	-	180	180	-	19.4	19.4	-
Total return for the Period before tax	22,788	23,383	(198)	21,156	21,792	(73)	7.7	7.3	>100.0
Taxation	(1,999)	(1,861)	(138)	(1,747)	(1,683)	(64)	14.4	10.6	>100.0
Total return for the Period after tax	20,789	21,522	(336)	19,409	20,109	(137)	7.1	7.0	>100.0
Other comprehensive income									
Items that may be reclassified subsequently to statement of total return:									
Effective portion of changes in fair value of cash flow hedges	(770)	(770)	-	48	48	-	NM	NM	-
Net change in fair value of cash flow hedges reclassified to total return	(28)	(28)	-	(8)	(8)	-	>100.0	>100.0	-
Foreign currency translation differences	15,862	15,778	43	(8,967)	(8,825)	(133)	NM	NM	NM
Total comprehensive income for the Period	35,853	36,502	(293)	10,482	11,324	(270)	>100.0	>100.0	8.5

NM - Not meaningful

Consolidated Distribution Statements for 1Q 2020 and 1Q 2019

Reconciliation of total return to income available for distribution

Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	1Q 2020			1Q 2019			Variance		
	1 Oct 2019 to 31 Dec 2019			1 Oct 2018 to 31 Dec 2018			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Total return for the Period after tax	20,789	21,522	(336)	19,409	20,109	(137)	7.1	7.0	>100.0
(Non-taxable) / non-tax deductible items and other adjustments:									
Amortisation of debt upfront costs	206	206	-	295	295	-	(30.2)	(30.2)	-
Amortisation of other assets	3	3	-	17	17	-	(82.4)	(82.4)	-
Depreciation	980	-	1,084	993	-	154	(1.3)	-	>100.0
Foreign exchange (gain)/loss, net	(177)	(169)	(8)	(6)	(15)	9	>100.0	>100.0	NM
Net change in fair value of derivative financial instruments	312	312	-	(142)	(142)	-	NM	NM	-
Other management fees paid and payable in Stapled Securities	1,233	1,233	-	1,265	1,265	-	(2.5)	(2.5)	-
Property management fees paid and payable in Stapled Securities, net of withholding tax	1,333	1,333	-	1,343	1,343	-	(0.7)	(0.7)	-
REIT Manager's management fees paid and payable in Stapled Securities	1,940	1,940	-	1,826	1,826	-	6.2	6.2	-
Trustee-Manager's management fees paid and payable in Stapled Securities	13	-	13	12	-	12	8.3	-	8.3
Trustee's fees in relation to FH-REIT	74	74	-	75	75	-	(1.3)	(1.3)	-
Interest expense on lease liabilities	27	27	610	-	-	-	100.0	100.0	100.0
Lease payments	-	-	(1,372)	-	-	-	-	-	100.0
Deferred tax	62	-	62	-	-	-	100.0	-	100.0
Other adjustments	(214)	47	-	(258)	18	-	(17.1)	>100.0	-
Net effect of (non-taxable) / non-tax deductible items and other adjustments	5,792	5,006	389	5,420	4,682	175	6.9	6.9	>100.0
Income available for distribution	26,581	26,528	53	24,829	24,791	38	7.1	7.0	39.5
Income available for distribution attributable to:									
- Stapled Securityholders	25,459	25,406	53	23,707	23,669	38	7.4	7.3	39.5
- Perpetual Securities holders	1,122	1,122	-	1,122	1,122	-	-	-	-
	26,581	26,528	53	24,829	24,791	38	7.1	7.0	39.5

NM - Not meaningful

Footnotes:

- (a) The master lease rental earned by FH-REIT from FH-BT is eliminated at FHT level. Consequently, only the income arising from the hotel operations of Novotel Melbourne on Collins ("NMOC") are reflected at FHT level.
- (b) Other income comprises mainly carpark income and Gross Operating Profit ("GOP") guaranteed top-up arising from the terms in the hotel management contract with the hotel operator. The decrease in other income was mainly due to the decrease in GOP guaranteed top-up in 1Q 2020.
- (c) The decrease in rental expense in 1Q 2020 as compared to 1Q 2019 is mainly due to the adoption of SFRS(I) 16 Leases by FH-BT Group with effect from 1 October 2019. Please refer to Section 5 for more details.
- (d) NMOC is being classified as property, plant and equipment in FHT's financial statements. The depreciation expense relates mainly to the depreciation of the building (including right-of-use ("ROU") assets, following the adoption of SFRS(I) 16 Leases with effect from 1 October 2019) and furniture, fittings and equipment of NMOC. Please refer to Section 5 for more details.
- (e) Other management fees relate mainly to management fees payable to FHT Australia Management Pty Ltd (the "MIT Manager").
- (f) Other trust expenses relate mainly to professional fees, audit fees, tax fees and administrative expenses.
- (g) Finance costs comprise mainly interest expense on FH-REIT Group's borrowings in SGD, JPY, MYR and AUD, net interest expense or income arising from the interest rate swaps and cross currency swaps, and interest expense on lease liabilities recognised under FRS 116/SFRS(I) 16 Leases with effect from 1 October 2019. Please refer to Section 5 for more details.
- (h) This relates mainly to unrealised net (loss)/gain arising from the revaluation of foreign currency forward contracts.
- (i) This relates to net realised gain arising from the settlement of foreign currency forward contracts.
- (j) This relates to net fair value (loss)/gain arising from the interest rate swaps.
- (k) This relates to exchange differences arising from translation of the results and the financial position of all the entities with functional currencies other than SGD. The major contributors to the movement in this quarter are AUD and GBP which appreciated against SGD. The fair value changes in the cross currency swaps which are designated as net investment hedges are recorded in foreign currency translation reserve at the consolidation level.
- (l) This relates to the MIT Manager's management fees which is payable in Stapled Securities.
- (m) Property management fees include serviced residences management fee and trademark licence fee which are payable in Stapled Securities.
- (n) This relates to master lease rental paid to FH-REIT and is eliminated at FHT level.
- (o) Other adjustments are in relation to other non-tax deductible and non-taxable items.
- (p) Distribution of FHT represents the aggregate of distributions by FH-REIT and FH-BT.

1 (b) (i) Statements of Financial Position

Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	31 Dec 2019			30 Sep 2019		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets						
	2,128,208	2,352,834	-	2,106,964	2,328,354	-
(a) Investment properties						
(b) Property, plant and equipment	226,125	-	68,819	223,368	-	1,978
(d) Derivative financial instruments	11,020	11,020	-	18,572	18,572	-
Rental deposits	-	-	1,791	-	-	1,765
Deferred expense	-	-	1,809	-	-	1,783
(e) Deferred tax asset	687	-	1,659	738	-	738
	2,366,040	2,363,854	74,078	2,349,642	2,346,926	6,264
Current assets						
	34	-	34	30	-	30
Inventories						
Other assets	14	14	-	17	17	-
Prepayments	1,926	1,527	399	2,063	1,685	378
(f) Trade and other receivables	10,986	11,727	1,839	9,518	10,015	1,501
Derivative financial instruments	3	3	-	208	208	-
Cash and cash equivalents	83,298	79,149	4,149	84,995	80,175	4,820
	96,261	92,420	6,421	96,831	92,100	6,729
Total assets	2,462,301	2,456,274	80,499	2,446,473	2,439,026	12,993
Current liabilities						
(g) Trade and other payables	19,556	15,967	6,935	14,986	10,736	7,223
(c) Lease liabilities	-	-	3,150	-	-	-
Deferred income	10	10	-	21	21	-
Derivative financial instruments	81	81	-	6	6	-
(h) Borrowings	40,000	40,000	-	25,000	25,000	-
Income tax payables	3,131	2,857	274	2,450	2,252	198
	62,778	58,915	10,359	42,463	38,015	7,421
Net current assets/(liabilities)	33,483	33,505	(3,938)	54,368	54,085	(692)
Non-current liabilities						
(c) Rental deposits	22,394	24,185	-	22,272	24,037	-
Other payables	303	-	303	293	-	293
Lease liabilities	2,767	2,767	67,231	-	-	-
Deferred income	8,023	9,832	-	7,881	9,664	-
(i) Derivative financial instruments	5,860	5,860	-	10,893	10,893	-
(h) Borrowings	829,950	829,950	-	829,199	829,199	-
(j) Deferred tax liabilities	49,882	49,882	-	49,739	49,739	-
	919,179	922,476	67,534	920,277	923,532	293
Total liabilities	981,957	981,391	77,893	962,740	961,547	7,714
Net assets	1,480,344	1,474,883	2,606	1,483,733	1,477,479	5,279
Represented by:						
Stapled Securityholders' funds						
	1,536,345	1,526,767	9,578	1,531,826	1,522,261	9,565
Stapled Securities in issue and to be issued						
Issue costs	(25,764)	(25,759)	(5)	(25,764)	(25,759)	(5)
Revenue reserves	31,532	37,315	(6,333)	53,383	58,276	(3,604)
Hedging reserve	(3,241)	(3,241)	-	(2,443)	(2,443)	-
Foreign currency translation reserve	(160,145)	(159,357)	(634)	(176,007)	(175,135)	(677)
(k) Revaluation reserve	2,459	-	-	2,459	-	-
	1,381,186	1,375,725	2,606	1,383,454	1,377,200	5,279
Perpetual Securities holders' funds	99,158	99,158	-	100,279	100,279	-
	1,480,344	1,474,883	2,606	1,483,733	1,477,479	5,279

Footnotes:

- (a) Investment properties as at 31 December 2019 include the recognition of ROU assets, amounting to approximately S\$2.7 million, arising from the adoption of FRS 116 Leases with effect from 1 October 2019 in relation to the Group's operating leases that meet the definition of investment properties. Please refer to Section 5 for more details.
- (b) In FHT's financial statements, the property, plant and equipment relates to the land, building, furniture, fittings and equipment of NMOC. This hotel is classified as property held for own use instead of as an investment property. Accordingly, this hotel is treated as property, plant and equipment and applied the revaluation model of FRS 16 Property, Plant and Equipment where the asset is depreciated during the period and revalued at least once a year at the end of financial year. The higher net book value as at 31 December 2019 at FHT is mainly due to appreciation of AUD against SGD.

In FH-BT Group's financial statements, property, plant and equipment as at 31 December 2019 includes the recognition of ROU assets, amounting to approximately S\$66.9 million, arising from the adoption of SFRS(I) 16 Leases with effect from 1 October 2019 in relation to the operating lease that meets the definition of property, plant and equipment. Please refer to Section 5 for more details.
- (c) FHT has adopted FRS 116/SFRS(I) 16 Leases with effect from 1 October 2019. Accordingly, the Group's existing operating lease arrangements under FRS 116/SFRS(I) 16 was recognised as ROU assets with corresponding lease liabilities, which represent FHT's obligation to make lease payments.
- (d) Derivative financial instruments (non-current assets) relate to fair value of cross currency swaps.
- (e) Deferred tax asset relates mainly to the excess of the tax written down value over the net book value of the property, plant and equipment of NMOC. It also includes deferred tax on the temporary differences arising from the ROU assets and lease liabilities due to the adoption of SFRS(I) 16 Leases with effect from 1 October 2019. Please refer to Section 5 for more details.
- (f) Trade and other receivables comprise mainly GST receivable, rental income receivable from master lessees and trade receivables from hotel operations.
- (g) Trade and other payables comprise mainly trade creditors, GST payable, provision for withholding tax and property tax, interest expense payable to banks, and accruals for professional fees.
- (h) For the breakdown of total borrowings into short-term and long-term borrowings, please refer to 1(b)(ii) below.
- (i) Derivative financial instruments (non-current liabilities) relate to fair value of cross currency swaps and interest rate swaps.
- (j) This relates mainly to deferred tax on the cumulative revaluation gains on the investment properties and property, plant and equipment.
- (k) The revaluation reserve relates to revaluation of land and building of NMOC, net of deferred tax.
- (l) This relates to S\$100 million of fixed rate subordinated perpetual securities issued in May 2016, including accrued distributions and net of capitalisable issue costs.

1 (b) (ii) Aggregate Amount of Borrowings

	FHT		FHT	
	As at 31 Dec 2019		As at 30 Sep 2019	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand *	-	40,000 ⁽¹⁾	-	25,000 ⁽¹⁾
Amount repayable after one year *	30,980 ⁽²⁾	798,970 ⁽³⁾	31,104 ⁽²⁾	798,095 ⁽³⁾

* net of transaction costs

Details of borrowings and collateral:

- (1) The unsecured borrowings relate to uncommitted short-term facilities.
- (2) The secured borrowing relates to the MYR95 million Class A Senior Bond issued under the Medium Term Notes Programme of up to MYR750 million established by Notable Vision Sdn. Bhd., with bond maturity of 5 years from 12 July 2019 and which is secured on a property known as The Westin Kuala Lumpur. The interest rate on this borrowing is 4.85% p.a.
- (3) The unsecured borrowings relate to (i) the S\$120 million 2.63% series 002 Notes due July 2022; (ii) the S\$120 million 3.08% series 003 Notes due November 2024; (iii) S\$70 million of term loan facility with a loan maturity of 5 years from 12 March 2018; (iv) A\$120 million of term loan facility with a loan maturity of 5 years from 6 July 2018; (v) S\$350 million of term loan facilities with loan maturities of 5 to 7 years from 5 July 2019; and (vi) the JPY2.35 billion Kobe Excellence TMK series 1 Bonds with a bond maturity of 3 years from 16 July 2019.

1 (c) Consolidated Cash Flows Statements

	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	1Q 2020			1Q 2019		
	1 Oct 2019 to 31 Dec 2019			1 Oct 2018 to 31 Dec 2018		
Note	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Total return before tax	22,788	23,383	(198)	21,156	21,792	(73)
Adjustments for:						
Amortisation of debt upfront costs	206	206	-	295	295	-
Amortisation of other assets	3	3	-	17	17	-
Depreciation	980	-	1,084	993	-	154
Finance costs	5,044	5,044	610	5,029	5,029	-
Finance income	(71)	(69)	(2)	(91)	(82)	(9)
Net change in fair value of derivative financial instruments	312	312	-	(142)	(142)	-
Other management fees paid and payable in Stapled Securities	1,233	1,233	-	1,265	1,265	-
Property, plant and equipment written off	1	-	1	-	-	-
Property management fees paid and payable in Stapled Securities	1,333	1,333	-	1,343	1,343	-
REIT Manager's management fees paid and payable in Stapled Securities	1,940	1,940	-	1,826	1,826	-
Trustee-Manager's management fees paid and payable in Stapled Securities	13	-	13	12	-	12
Unrealised (gain)/loss on foreign exchange, net	(247)	(239)	(8)	(54)	(63)	9
Cash generated from operations before working capital changes	33,535	33,146	1,500	31,649	31,280	93
Changes in working capital:						
Inventories	(4)	-	(4)	(1)	-	(1)
Prepayments	137	158	(21)	114	133	(19)
Trade and other receivables	(1,542)	(1,632)	(338)	239	157	(404)
Trade and other payables	3,990	4,545	(346)	974	1,420	318
Deferred income	(11)	(11)	-	(676)	(676)	-
Cash generated from/(used in) operations	36,105	36,206	791	32,299	32,314	(13)
Tax paid	(1,818)	(1,813)	(5)	(213)	(208)	(5)
Interest income received	71	69	2	91	82	9
Net cash generated from/(used in) operating activities	34,358	34,462	788	32,177	32,188	(9)

1 (c) Consolidated Cash Flows Statements (Cont'd)

	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	1Q 2020			1Q 2019		
	1 Oct 2019 to 31 Dec 2019			1 Oct 2018 to 31 Dec 2018		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
CASH FLOWS FROM INVESTING ACTIVITIES						
Additions to investment properties	(2,561)	(2,561)	-	(2,358)	(2,573)	-
Additions to property, plant & equipment	(480)	-	-	(267)	-	(54)
Net cash used in investing activities	(3,041)	(2,561)	-	(2,625)	(2,573)	(54)
CASH FLOWS FROM FINANCING ACTIVITIES						
Distribution paid to Stapled Securityholders	(41,518)	(41,361)	(157)	(44,087)	(43,981)	(106)
Distribution paid to Perpetual Securities holders	(2,243)	(2,243)	-	(2,243)	(2,243)	-
Finance costs paid	(3,958)	(3,958)	-	(3,912)	(3,912)	-
Payment of lease liabilities	-	-	(1,372)	-	-	-
Proceeds from borrowings, net of debt upfront costs	15,000	15,000	-	30,000	30,000	-
Repayment of borrowings	-	-	-	(11,000)	(11,000)	-
Net cash used in financing activities	(32,719)	(32,562)	(1,529)	(31,242)	(31,136)	(106)
Net decrease in cash and cash equivalents	(1,402)	(661)	(741)	(1,690)	(1,521)	(169)
Cash and cash equivalents at beginning of the financial Period	84,995	80,175	4,820	77,080	72,541	4,539
Effect of exchange rate changes on cash and cash equivalents	(295)	(365)	70	49	148	(99)
Cash and cash equivalents at end of the financial Period	83,298	79,149	4,149	75,439	71,168	4,271

Note

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following:

	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	As at 31 Dec 2019			As at 31 Dec 2018		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Cash and bank balances	77,681	73,532	4,149	71,358	67,087	4,271
Fixed deposits	5,617	5,617	-	4,081	4,081	-
Cash and cash equivalents	83,298	79,149	4,149	75,439	71,168	4,271

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds

FHT	Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds	Total	
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Revaluation reserve			
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			
At 1 Oct 2019		1,531,826	(25,764)	53,383	(2,443)	(176,007)	2,459	1,383,454	-	1,383,454
Total return for the Period, net of tax		-	-	20,789	-	-	-	20,789	-	20,789
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,122)	-	-	-	(1,122)	-	(1,122)
<u>Other comprehensive income</u>										
Effective portion of changes in fair value of cash flow hedges		-	-	-	(770)	-	-	(770)	-	(770)
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(28)	-	-	(28)	-	(28)
Foreign currency translation differences		-	-	-	-	15,862	-	15,862	-	15,862
Other comprehensive income for the Period, net of tax		-	-	-	(798)	15,862	-	15,064	-	15,064
Total comprehensive income for the Period, net of tax		-	-	19,667	(798)	15,862	-	34,731	-	34,731
<u>Contributions by and distributions to Stapled Securityholders</u>										
REIT Manager's management fees payable in Stapled Securities	(a)	1,940	-	-	-	-	-	1,940	-	1,940
Trustee-Manager's management fees payable in Stapled Securities	(a)	13	-	-	-	-	-	13	-	13
Other management fees payable in Stapled Securities	(a)	1,233	-	-	-	-	-	1,233	-	1,233
Property management fees payable in Stapled Securities	(a)	1,333	-	-	-	-	-	1,333	-	1,333
Distributions to Stapled Securityholders		-	-	(41,518)	-	-	-	(41,518)	-	(41,518)
Total contributions by and distributions to Stapled Securityholders		4,519	-	(41,518)	-	-	-	(36,999)	-	(36,999)
Stapled Securityholders' funds at 31 Dec 2019		1,536,345	(25,764)	31,532	(3,241)	(160,145)	2,459	1,381,186	-	1,381,186
At 1 Oct 2019		-	-	-	-	-	-	-	100,279	100,279
<u>Contributions by and distributions to Perpetual Securities holders</u>										
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders		-	-	-	-	-	-	-	(2,243)	(2,243)
Total contributions by and distributions to Perpetual Securities holders		-	-	-	-	-	-	-	(1,121)	(1,121)
Perpetual Securities holders' funds at 31 Dec 2019		-	-	-	-	-	-	-	99,158	99,158
At 31 Dec 2019		1,536,345	(25,764)	31,532	(3,241)	(160,145)	2,459	1,381,186	99,158	1,480,344

Footnote:

- (a) This represents Stapled Securities to be issued as payment of management fees in lieu of cash i.e. REIT Manager's management fees, Trustee-Manager's management fees, MIT Manager's management fees and property management fees. 2,512,663 Stapled Securities and 1,876,342 Stapled Securities relating to base management fee and property management fees respectively for the period from 1 October 2019 to 31 December 2019 will be issued in May 2020. Stapled Securities relating to performance management fee for the period from 1 October 2019 to 31 December 2019 will be issued in November 2020.

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

FHT	Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds	Total	
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Revaluation reserve			
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			
At 1 Oct 2018		1,514,692	(25,764)	92,571	573	(138,932)	9,111	1,452,251	-	1,452,251
Total return for the Period, net of tax		-	-	19,409	-	-	-	19,409	-	19,409
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,122)	-	-	-	(1,122)	-	(1,122)
<u>Other comprehensive income</u>										
Effective portion of changes in fair value of cash flow hedges		-	-	-	48	-	-	48	-	48
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(8)	-	-	(8)	-	(8)
Foreign currency translation differences		-	-	-	-	(8,967)	-	(8,967)	-	(8,967)
Other comprehensive income for the Period, net of tax		-	-	-	40	(8,967)	-	(8,927)	-	(8,927)
Total comprehensive income for the Period, net of tax		-	-	18,287	40	(8,967)	-	9,360	-	9,360
<u>Contributions by and distributions to Stapled Securityholders</u>										
REIT Manager's management fees payable in Stapled Securities		1,826	-	-	-	-	-	1,826	-	1,826
Trustee-Manager's management fees payable in Stapled Securities		12	-	-	-	-	-	12	-	12
Other management fees payable in Stapled Securities		1,265	-	-	-	-	-	1,265	-	1,265
Property management fees payable in Stapled Securities		1,343	-	-	-	-	-	1,343	-	1,343
Distributions to Stapled Securityholders		-	-	(44,087)	-	-	-	(44,087)	-	(44,087)
Total contributions by and distributions to Stapled Securityholders		4,446	-	(44,087)	-	-	-	(39,641)	-	(39,641)
At 31 Dec 2018		1,519,138	(25,764)	66,771	613	(147,899)	9,111	1,421,970	-	1,421,970
At 1 Oct 2018		-	-	-	-	-	-	-	100,279	100,279
<u>Contributions by and distributions to Perpetual Securities holders</u>										
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders		-	-	-	-	-	-	-	(2,243)	(2,243)
Total contributions by and distributions to Perpetual Securities holders		-	-	-	-	-	-	-	(1,121)	(1,121)
Perpetual Securities holders' funds at 31 Dec 2018		-	-	-	-	-	-	-	99,158	99,158
At 31 Dec 2018		1,519,138	(25,764)	66,771	613	(147,899)	9,111	1,421,970	99,158	1,521,128

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

FH-REIT Group	Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
At 1 Oct 2019		1,522,261	(25,759)	58,276	(2,443)	(175,135)	1,377,200	-	1,377,200
Total return for the Period, net of tax		-	-	21,522	-	-	21,522	-	21,522
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,122)	-	-	(1,122)	-	(1,122)
<u>Other comprehensive income</u>									
Effective portion of changes in fair value of cash flow hedges		-	-	-	(770)	-	(770)	-	(770)
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(28)	-	(28)	-	(28)
Foreign currency translation differences		-	-	-	-	15,778	15,778	-	15,778
Other comprehensive income for the Period, net of tax		-	-	-	(798)	15,778	14,980	-	14,980
Total comprehensive income for the Period, net of tax		-	-	20,400	(798)	15,778	35,380	-	35,380
<u>Contributions by and distributions to Stapled Securityholders</u>									
REIT Manager's management fees payable in Stapled Securities	(a)	1,940	-	-	-	-	1,940	-	1,940
Other management fees payable in Stapled Securities	(a)	1,233	-	-	-	-	1,233	-	1,233
Property management fees payable in Stapled Securities	(a)	1,333	-	-	-	-	1,333	-	1,333
Distributions to Stapled Securityholders		-	-	(41,361)	-	-	(41,361)	-	(41,361)
Total contributions by and distributions to Stapled Securityholders		4,506	-	(41,361)	-	-	(36,855)	-	(36,855)
Stapled Securityholders' funds at 31 Dec 2019		1,526,767	(25,759)	37,315	(3,241)	(159,357)	1,375,725	-	1,375,725
At 1 Oct 2019		-	-	-	-	-	-	100,279	100,279
<u>Contributions by and distributions to Perpetual Securities holders</u>									
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders		-	-	-	-	-	-	(2,243)	(2,243)
Total contributions by and distributions to Perpetual Securities holders		-	-	-	-	-	-	(1,121)	(1,121)
Perpetual Securities holders' funds at 31 Dec 2019		-	-	-	-	-	-	99,158	99,158
At 31 Dec 2019		1,526,767	(25,759)	37,315	(3,241)	(159,357)	1,375,725	99,158	1,474,883

Footnote:

- (a) This represents Stapled Securities to be issued as payment of management fees in lieu of cash i.e. REIT Manager's management fees, MIT Manager's management fees and property management fees. 2,498,787 Stapled Securities and 1,876,342 Stapled Securities relating to base management fee and property management fees respectively for the period from 1 October 2019 to 31 December 2019 will be issued in May 2020. Stapled Securities relating to performance management fee for the period from 1 October 2019 to 31 December 2019 will be issued in November 2020.

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds	Total
	Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
FH-REIT Group								
At 1 Oct 2018	1,505,175	(25,759)	104,100	573	(138,649)	1,445,440	-	1,445,440
Total return for the Period, net of tax	-	-	20,109	-	-	20,109	-	20,109
Total return for the Period, attributable to Perpetual Securities holders	-	-	(1,122)	-	-	(1,122)	-	(1,122)
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges	-	-	-	48	-	48	-	48
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(8)	-	(8)	-	(8)
Foreign currency translation differences	-	-	-	-	(8,825)	(8,825)	-	(8,825)
Other comprehensive income for the Period, net of tax	-	-	-	40	(8,825)	(8,785)	-	(8,785)
Total comprehensive income for the Period, net of tax	-	-	18,987	40	(8,825)	10,202	-	10,202
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fees payable in Stapled Securities	1,826	-	-	-	-	1,826	-	1,826
Other management fees payable in Stapled Securities	1,265	-	-	-	-	1,265	-	1,265
Property management fees payable in Stapled Securities	1,343	-	-	-	-	1,343	-	1,343
Distributions to Stapled Securityholders	-	-	(43,981)	-	-	(43,981)	-	(43,981)
Total contributions by and distributions to Stapled Securityholders	4,434	-	(43,981)	-	-	(39,547)	-	(39,547)
Stapled Securityholders' funds at 31 Dec 2018	1,509,609	(25,759)	79,106	613	(147,474)	1,416,095	-	1,416,095
At 1 Oct 2018	-	-	-	-	-	-	100,279	100,279
<u>Contributions by and distributions to Perpetual Securities holders</u>								
Total return for the Period, attributable to Perpetual Securities holders	-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders	-	-	-	-	-	-	(2,243)	(2,243)
Total contributions by and distributions to Perpetual Securities holders	-	-	-	-	-	-	(1,121)	(1,121)
Perpetual Securities holders' funds at 31 Dec 2018	-	-	-	-	-	-	99,158	99,158
At 31 Dec 2018	1,509,609	(25,759)	79,106	613	(147,474)	1,416,095	99,158	1,515,253

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

		Attributable to Stapled Securityholders							
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	Total
Note		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-BT Group									
	At 1 Oct 2019	9,565	(5)	(3,604)	-	(677)	5,279	-	5,279
	Adjustment on initial recognition of SFRS(I) 16	-	-	(2,236)	-	-	(2,236)	-	(2,236)
	At 1 Oct 2019 (restated)	9,565	(5)	(5,840)	-	(677)	3,043	-	3,043
	Total return for the Period, net of tax	-	-	(336)	-	-	(336)	-	(336)
<u>Other comprehensive income</u>									
	Foreign currency translation differences	-	-	-	-	43	43	-	43
	Other comprehensive income for the Period, net of tax	-	-	-	-	43	43	-	43
	Total comprehensive income for the Period, net of tax	-	-	(336)	-	43	(293)	-	(293)
<u>Contributions by and distributions to Stapled Securityholders</u>									
	Trustee-Manager's management fees payable in Stapled Securities	13	-	-	-	-	13	-	13
(a)	Distributions to Stapled Securityholders	-	-	(157)	-	-	(157)	-	(157)
	Total contributions by and distributions to Stapled Securityholders	13	-	(157)	-	-	(144)	-	(144)
	Stapled Securityholders' funds at 31 Dec 2019	9,578	(5)	(6,333)	-	(634)	2,606	-	2,606

Footnote:

(a) This represents Stapled Securities to be issued as payment of Trustee-Manager's management fees in lieu of cash.

13,876 Stapled Securities relating to base management fee for the period from 1 October 2019 to 31 December 2019 will be issued in May 2020. Stapled Securities relating to performance management fee for the period from 1 October 2019 to 31 December 2019 will be issued in November 2020.

		Attributable to Stapled Securityholders							
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	Total
Note		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-BT Group									
	At 1 Oct 2018	9,517	(5)	(3,241)	-	(332)	5,939	-	5,939
	Total return for the Period, net of tax	-	-	(137)	-	-	(137)	-	(137)
<u>Other comprehensive income</u>									
	Foreign currency translation differences	-	-	-	-	(133)	(133)	-	(133)
	Other comprehensive income for the Period, net of tax	-	-	-	-	(133)	(133)	-	(133)
	Total comprehensive income for the Period, net of tax	-	-	(137)	-	(133)	(270)	-	(270)
<u>Contributions by and distributions to Stapled Securityholders</u>									
	Trustee-Manager's management fees payable in Stapled Securities	12	-	-	-	-	12	-	12
	Distributions to Stapled Securityholders	-	-	(106)	-	-	(106)	-	(106)
	Total contributions by and distributions to Stapled Securityholders	12	-	(106)	-	-	(94)	-	(94)
	Stapled Securityholders' funds at 31 Dec 2018	9,529	(5)	(3,484)	-	(465)	5,575	-	5,575

1 (d) (ii) Details of Changes in Issued and Issuable Stapled Securities

	FHT	
	1Q 2020	1Q 2019
	1 Oct 2019 to 31 Dec 2019	1 Oct 2018 to 31 Dec 2018
	No. of Stapled Securities	No. of Stapled Securities
Balance at beginning of the Period	1,894,216,910	1,869,164,755
- As payment of REIT Manager's management fees	7,047,501	7,304,274
- As payment of Trustee-Manager's management fees	39,918	43,073
- As payment of other management fees	4,358,730	4,976,251
- As payment of property management fees	3,995,008	4,174,256
Issued Stapled Securities at the end of the Period	1,909,658,067	1,885,662,609
Issuable Stapled Securities		
As payment of REIT Manager's management fees	(a) 2,729,804	2,577,134
As payment of Trustee-Manager's management fees	(b) 17,936	17,002
As payment of other management fees	(c) 1,735,672	1,785,835
As payment of property management fees	(d) 1,876,342	1,894,988
Total issued and issuable Stapled Securities	1,916,017,821	1,891,937,568

Footnotes:

- (a) This represents 100% of the REIT Manager's base management fee and performance management fee payable in Stapled Securities. The REIT Manager's performance management fee will be paid once a year after the end of the financial year.
- (b) This represents 100% of the Trustee-Manager's base management fee and performance management fee payable in Stapled Securities. The Trustee-Manager's performance management fee will be paid once a year after the end of the financial year.
- (c) This represents 100% of the MIT Manager's base management fee and performance management fee payable in Stapled Securities. The MIT Manager's performance management fee will be paid once a year after the end of the financial year.
- (d) This represents 100% of the property managers' management fees payable in Stapled Securities.

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in section 5, the accounting policies and methods of computation adopted for the current reporting financial period are consistent with those applied in the audited financial statements for the financial year ended 30 September 2019.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

On 1 October 2019, FHT, FH-REIT Group and FH-BT Group (collectively, the "Group") adopted FRS 116/SFRS(I) 16 Leases, which is effective for the financial year beginning 1 October 2019.

FRS 116/SFRS(I) 16 Leases introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a ROU asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Under FRS 116/SFRS(I) 16, remaining lease payments under the operating leases will be recognised at their present value discounted using an appropriate discount rate. In addition, the nature of expenses will now change as FRS 116/SFRS(I) 16 replaces straight-line operating lease expense with depreciation charge of ROU assets (where relevant) and interest expense on lease liabilities.

The Group has applied FRS 116/SFRS(I) 16 using the modified retrospective approach. Therefore, the cumulative effect of adopting FRS 116/SFRS(I) 16 is recognised as an adjustment to the opening balance of revenue reserves at 1 October 2019, with no restatement of comparative information. The Group has applied the practical expedient to grandfather the definition of a lease on transition whereby FRS 116/SFRS(I) 16 will be applied to all contracts entered into before 1 October 2019 and identified as leases in accordance with FRS 17/SFRS(I) 1-17.

FHT and FH-REIT Group have also applied the practical expedient to recognise ROU assets equal to their lease liabilities as at 1 October 2019, while FH-BT Group has applied the practical expedient to recognise the ROU assets at its carrying amount as if SFRS(I) 16 had been applied since the commencement date, but discounted using the discount rate determined at the date of initial application; and lease liabilities shall be recognised at the present value of the remaining lease payments, discounted using the discount rate determined at the date of initial application.

The impact on the Group's financial statements arising from the adoption of FRS 116/SFRS(I) 16 is as follows:

	FHT	FH-REIT Group	FH-BT Group
	As at 1 Oct 2019		
	S\$'000	S\$'000	S\$'000
Increase in assets:			
Right-of-use asset (FRS 116) - recognised under investment properties	2,700	2,700	-
Right-of-use asset (SFRS(I) 16) - recognised under property, plant and equipment	-	-	66,933
Deferred tax assets	-	-	958
Increase in liabilities:			
Lease liabilities	2,700	2,700	70,127
Decrease in net assets	-	-	(2,236)
Decrease in revenue reserves	-	-	2,236

6 Earnings per Stapled Security ("EPS") and Distribution per Stapled Security ("DPS") for the financial period

Group earnings per Stapled Security

	Note	FHT	
		1Q 2020	1Q 2019
		1 Oct 2019 to 31 Dec 2019	1 Oct 2018 to 31 Dec 2018
Total return for the Period after tax (S\$'000)		20,789	19,409
Less: Total return for the Period after tax attributable to Perpetual Securities holders (S\$'000)		(1,122)	(1,122)
Total return for the Period after tax attributable to Stapled Securityholders (S\$'000)		19,667	18,287
Basic EPS			
Weighted average number of Stapled Securities in issue	(a)	1,909,705,774	1,885,710,814
EPS based on weighted average number of Stapled Securities in issue (cents)		1.03	0.97
Dilutive EPS			
Weighted average number of Stapled Securities in issue	(a)	1,916,017,821	1,891,937,568
EPS based on weighted average number of Stapled Securities in issue (cents)		1.02	0.96

Footnote:

(a) The weighted average number of Stapled Securities is weighted for Stapled Securities in 1Q 2020 and 1Q 2019 respectively.

6 Earnings per Stapled Security ("EPS") and Distribution per Stapled Security ("DPS") for the financial period (Cont'd)

Group distribution per Stapled Security

	FHT	
	1Q 2020	1Q 2019
	1 Oct 2019 to 31 Dec 2019	1 Oct 2018 to 31 Dec 2018
Total number of issued and issuable Stapled Securities at end of Period	1,914,047,072 ^(a)	1,890,097,455
Distribution to Stapled Securityholders (S\$'000)	25,459	23,707
DPS based on the total number of Stapled Securities entitled to distribution (cents)	1.3301	1.2542

Footnote:

(a) The computation of DPS for the periods are based on the number of Stapled Securities entitled to distribution. This comprises:

(i) The number of Stapled Securities in issue as at 31 December 2019 of 1,909,658,067; and

(ii) The number of Stapled Securities to be issued to the REIT Manager, the Trustee-Manager, the MIT Manager and property managers as consideration for base management fee and property management fees for the period from 1 October 2019 to 31 December 2019 of 4,389,005.

** As provided for in the trust deed dated 12 June 2014 constituting FH-REIT (as amended) and in the trust deed dated 20 June 2014 constituting FH-BT (as amended), the price of a Stapled Security issued shall be computed based on the volume weighted average price of a Stapled Security for the last ten business days immediately preceding the relevant financial period of which the fee accrues.

The computation of DPS for 1Q 2020 is presented for illustrative purpose only. FHT makes distributions on a semi-annual basis and the distributions are payable by the REIT Manager and the Trustee-Manager within 90 days from the end of the said semi-annual period.

7 (i) Group net asset value per Stapled Security based on Stapled Securities in issue at the end of the period

	FHT	
	As at 31 Dec 2019	As at 30 Sep 2019
Number of Stapled Securities issued at end of the period	1,909,658,067	1,894,216,910
Net asset value (S\$'000)	1,381,186	1,383,454
Net asset value per Stapled Security (cents)	72.33	73.04

(ii) Group net tangible asset per Stapled Security based on Stapled Securities in issue at the end of the period

	FHT	
	As at 31 Dec 2019	As at 30 Sep 2019
Number of Stapled Securities issued at end of the period	1,909,658,067	1,894,216,910
Net tangible asset (S\$'000)	1,381,186	1,383,454
Net tangible asset value per Stapled Security (cents)	72.33	73.04

8 Review of performance
(a) 1Q 2020 VS 1Q 2019

		FH-REIT Group			FH-BT Group		
		Master Lessees - Gross Operating Revenue			Gross Operating Revenue		
		1Q 2020	1Q 2019	Change	1Q 2020	1Q 2019	Change
		1 Oct 2019 to 31 Dec 2019	1 Oct 2018 to 31 Dec 2018		1 Oct 2019 to 31 Dec 2019	1 Oct 2018 to 31 Dec 2018	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Australia ^(a)	AUD	26,819	26,007	3.1	9,725	9,852	(1.3)
Singapore	SGD	22,684	22,113	2.6	-	-	N/A
United Kingdom	GBP	6,935	6,573	5.5	-	-	N/A
Japan	JPY	1,675,831	1,732,389	(3.3)	-	-	N/A
Malaysia	MYR	23,480	21,840	7.5	-	-	N/A
Germany	EUR	3,448	3,178	8.5	-	-	N/A

		FH-REIT Group			FH-BT Group		
		Master Lessees - Gross Operating Profit			Gross Operating Profit		
		1Q 2020	1Q 2019	Change	1Q 2020	1Q 2019	Change
		1 Oct 2019 to 31 Dec 2019	1 Oct 2018 to 31 Dec 2018		1 Oct 2019 to 31 Dec 2019	1 Oct 2018 to 31 Dec 2018	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Australia ^(a)	AUD	12,568	11,540	8.9	5,155	5,274	(2.3)
Singapore	SGD	9,124	8,945	2.0	-	-	N/A
United Kingdom	GBP	3,720	3,466	7.3	-	-	N/A
Japan	JPY	570,204	504,341	13.1	-	-	N/A
Malaysia	MYR	8,008	5,469	46.4	-	-	N/A
Germany	EUR	1,490	1,385	7.6	-	-	N/A

Footnote:

(a) The Gross Operating Revenue ("GOR") and GOP of NMOC are excluded from FH-REIT Group and reflected under FH-BT Group.

Operational Performance

(a) Review of performance for 1Q 2020 compared to 1Q 2019

During the financial period under review from 1 October 2019 to 31 December 2019 ("1Q FY2020"), Gross Revenue ("GR") improved 4.3% at S\$42.4 million and Net Property Income ("NPI") increased 6.8% to S\$33.2 million compared to last year ("1Q FY2019"). Distributable Income ("DI") registered an increase of 7.4% compared to 1Q FY2019 at S\$25.5 million. Distribution Per Stapled Security ("DPS") registered an increase of 6.1% at 1.33 cents compared to 1Q FY2019.

In 1Q FY2020, the Australia portfolio's GOR and GOP increased 1.9% and 5.4% year-on-year ("yoy") respectively. GOR improved due to higher food and beverage ("F&B") revenue while the steeper GOP increase was attributed to better cost control on operating expenses. Portfolio occupancy rose to 90.3%, from 88.7% a year ago, despite the weaker trading environment weighing on average daily rate ("ADR"). This mitigated the decline in revenue per available room ("RevPAR") and enabled all properties to outperform the market.

The Singapore portfolio reported a 2.6% increase in GOR and a 2.0% increase in GOP yoy. The portfolio RevPAR improved 6.9% yoy on the back of higher ADR and occupancy. Both InterContinental Singapore and Fraser Suites Singapore saw healthy gains in RevPAR, driven by stronger leisure and corporate demand.

The UK portfolio continued to benefit from the weak pound. As a result, GOR and GOP rose yoy by 5.5% and 7.3% respectively. The portfolio RevPAR was 4.9% above the levels in 1Q FY2019 due to higher ADR and occupancy.

ANA Crowne Plaza Kobe's GOR declined 3.3% yoy due mainly to lower room and F&B revenue. Notwithstanding the lower GOR, its GOP increased 13.1% or JPY65.9 million yoy. The hotel has been reviewing and re-grouping resources to streamline its operations. This continual effort in driving operational efficiency resulted in the positive GOP growth.

The Westin Kuala Lumpur continued to recover from a market-wide low base as GOR improved 7.5% yoy, driven mainly by higher room revenue. With its continual efforts to increase operational efficiency, the hotel has achieved reduction in operating costs and improved its profitability. Its recent sustainability drive including the installation of new energy-efficient heat pumps led to substantial savings in utilities costs. Coupled with the 11.5% increase in room revenue, its GOP rose 46.4% or MYR2.5 million yoy.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual result

No forecast or prospect statement has been previously disclosed.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

For the first 9 months of 2019, Tourism Australia reported a yoy increase of 2.5% in international arrivals to 5.3 million. While hotel visitor nights in Sydney and Melbourne have risen, the growth has been offset by new supply. In Sydney, approximately 2,300 rooms will be built in the CBD by 2021. This is likely to inhibit rates increase in the short term. However, given the city's global reputation and traditionally strong holiday and corporate visitor demand, the market is expected to absorb the new supply in the medium term¹. In Melbourne, approximately 4,200 rooms are currently under construction and will enter the market from 2020 to 2022. The significant room pipeline and its impact on rates and occupancy levels warrant some cause for concern for hoteliers¹.

For the period from January to November 2019, the Singapore Tourism Board reported a 2.9% yoy growth in international visitor arrivals to 17.4 million. The outlook for Singapore's tourism sector continues to be positive as refreshed and new tourism offerings and the introduction of new flight services are expected to support hotel trading performance². Additionally, Singapore will play host to biennial and sizeable inaugural MICE (meetings, incentives, conferences and exhibitions) events in 2020. Supply is also anticipated to remain limited for the next 3 years, growing at a compound annual growth rate of 0.7% from end-2019 to end-2022².

According to VisitBritain, the UK welcomed 29.2 million overseas visitors in the first 9 months of 2019, up 2.0% yoy. Business visits were 1.0% below levels seen in 2018 but holiday visits were up 3.0% yoy. Looking ahead, the weak macroeconomic outlook and Brexit uncertainty may continue to impact business sentiment and corporate bookings. Hotel performance is expected to vary by geography and segment. However, London is anticipated to hold on to some growth, with the weak pound continuing to support inbound leisure demand and events such as the Farnborough International Airshow and UEFA Euro 2020 providing further boost³.

For the period from January to November 2019, Japan National Tourism Organization reported a 2.8% yoy increase in foreign visitors to 29.4 million. Moving forward, the Tokyo Olympics is expected to drive inbound visitors to reach the 2020 goal of 40.0 million. Hotel supply, on the other hand, is anticipated to soften, which should provide some breathing room for hoteliers⁴.

For the first 9 months of 2019, Tourism Malaysia reported a yoy growth of 3.7% in tourist arrivals to 20.1 million, with Singapore, Indonesia and China being the biggest contributors of tourist arrivals to Malaysia. For 2019, Tourism Malaysia aims to achieve tourist arrivals of 28.1 million. In Kuala Lumpur, hotel trading performance in the near term is expected to remain subdued due to the ongoing room supply glut. However, new supply may be partially absorbed by continued visitor growth⁵.

For the period from January to November 2019, the Federal Statistical Office of Germany recorded a 3.7% yoy increase in the number of overnight stays by domestic and foreign visitors⁶. In Dresden, the total number of domestic and foreign visitors for the first 9 months of 2019 rose 1.2% yoy⁷. Dresden, the capital city of the Free State of Saxony, continues to grow its pipeline of MICE events for 2020 including HAUS (construction and energy fair), Bauen Kaufen Wohnen (real estate and construction fair), 25th Congress of the International Commission for Optics, Hematology and Oncology Conference, and International Conference on Metal-Organic Frameworks and Open Framework Compounds.

¹ Source: CBRE – MarketView Australia Hotels, Q3 2019 (30 October 2019)

² Source: JLL – Asia Pacific Property Digest Q3 2019 (20 November 2019)

³ Source: PwC UK Hotels Forecast Update 2019-2020 (September 2019)

⁴ Source: Savills – Spotlight: Japan Hospitality (9 August 2019)

⁵ Source: JLL – Asia Pacific Property Digest, Q2 2019 (19 August 2019)

⁶ Source: www.destatis.de

⁷ Source: www.dresden.de

11 Distributions

(a) Current financial period

Any distribution declared for the current financial period?

No.

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the corresponding period of the immediately preceding financial period?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

FHT makes distributions to Stapled Securityholders on a semi-annual basis for every six-month period ending 31 March and 30 September.

13 If the Group has obtained a general mandate from holders for Interested Party Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, please make a statement to that effect.

FHT has not obtained a general mandate from Stapled Securityholders for IPTs.

14 Additional information - FHT's interests in Australia Land Trust

Australia's foreign investment regime can apply to acquisitions of shares and units offshore. The rules are complex, particularly having regard to acquisitions in entities that are not in Australia but that have downstream Australian assets. The rules were amended significantly on 1 December 2015, and again with effect from 1 July 2017 and there is also administrative guidance from the Foreign Investment Review Board ("FIRB"). Therefore, investors should seek their own legal advice on the application of the FIRB regime to their individual circumstances.

Noting the above, investors who are "foreign persons" that acquire Stapled Securities may be required under the Australian Foreign Acquisitions and Takeovers Act 1975 (Cth) ("FATA") to notify and receive a no objection notification ("FIRB Clearance") prior to their investment in FHT. This may be the case if any of the circumstances set out below apply at the time the Stapled Securities are acquired:

(a) the investor is a "foreign government investor" acquiring a "direct interest" in FHT; and

(b) the investor is a "foreign person" that is not a "foreign government investor" and, together with their "associates", they would:

(i) hold more than 10% in FHT; or

(ii) increase an existing holding of 10% or more in FHT,

and the interest being acquired is valued in excess of the applicable monetary threshold.

Please note that, depending on which situation applies to an investor, prior notification and FIRB Clearance may not be mandatory, but rather a voluntary notification may be made to the Australian Treasurer. Despite such notification being voluntary, as the Australian Treasurer still has the power to make adverse orders under the FATA if such transaction is considered to be contrary to Australia's national interest. Accordingly, in some circumstances, it may be prudent for an investor to seek FIRB Clearance on a voluntary basis.

14 Additional information - FHT's interests in Australia Land Trust (Cont'd)

Exemptions from ALT requirements

The FATA contains two relevant exemptions from the requirement to obtain FIRB Clearance that would otherwise apply if FH-REIT or FH-BT was considered to be an Australian Land Trust¹ ("ALT") such that FIRB clearance would generally only be required for private foreign persons if:

(a) the relevant person's interest in FH-REIT or FH-BT would be valued in excess of a specified threshold prescribed under the FATA (at the date of this announcement, the relevant threshold prescribed under the FATA is AUD275.0 million, unless the ALT has 'sensitive' land holdings, in which case the threshold may be AUD60.0 million); and

(b) the relevant person, together with associates, is acquiring an interest of 10% or more in FHT and will be in a position to influence or participate in the central management and control of the land entity or to influence, participate in or determine the policy of the land entity.

Significant actions (i.e. voluntary notification)

If FHT has gross Australian assets in excess of a specified threshold prescribed under the FATA (as at the date of this announcement, the threshold prescribed under the FATA is AUD275.0 million for most private foreign investors) at the time of acquisition, all investors who are:

(a) foreign persons (but not foreign government investors); and

(b) acquiring a "substantial interest" in FHT or have a "substantial interest" and increase their holding,

should note that, while prior notification and FIRB Clearance are not required, the Australian Treasurer still has the power to make adverse orders under the FATA if such transaction is considered to be contrary to Australia's national interest. In such case, it may be prudent for an investor to seek FIRB Clearance on a voluntary basis.

As at 31 December 2019, the value of the Australian assets comprised in FHT's portfolio is 29.24% of the total asset value of FHT. Consequently, FHT is not considered to be an ALT.

As at 31 December 2019, FHT has gross Australian assets of approximately AUD761.7 million, which is above AUD275.0 million.

Any investor acquiring Stapled Securities on the secondary market should seek their own advice on the FIRB requirements as they pertain to their specific circumstances.

The terms "foreign person", "foreign government investor", "direct interest", "associate" and "substantial interest" have the meaning given to these terms in the FATA. Please note that these terms apply broadly and investors should seek their own legal advice regarding their application.

¹ An ALT is a unit trust in which the value of interests in Australian land exceeds 50% of the value of the total assets of the unit trust.

15 Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

The Managers confirm that they have procured undertakings from all their Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual.

16 Confirmation pursuant to Rule 705(5) of the SGX-ST Listing Manual

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of each of Frasers Hospitality Asset Management Pte. Ltd. (as manager of FH-REIT) and Frasers Hospitality Trust Management Pte. Ltd. (as trustee-manager of FH-BT) which may render these financial results to be false or misleading, in any material respect.

For and on behalf of the Board of Directors of

Frasers Hospitality Asset Management Pte. Ltd.

Frasers Hospitality Trust Management Pte. Ltd.

Law Song Keng
Director

Koh Teck Chuan
Director

BY ORDER OF THE BOARD

Frasers Hospitality Asset Management Pte. Ltd.

(Company registration no. 201331351D)

As manager of Frasers Hospitality Real Estate Investment Trust

Frasers Hospitality Trust Management Pte. Ltd.

(Company registration no. 201401270M)

As trustee-manager of Frasers Hospitality Business Trust

Catherine Yeo
Company Secretary
23 January 2020

IMPORTANT NOTICE

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 average daily room rates and occupancy, changes in operating expenses (including employee wages, benefits and training costs), property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers' current view on future events.

The value of the Stapled Securities and the income derived from them, may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers, Perpetual (Asia) Limited (the Trustee of FH-REIT) or any of their affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

The past performance of FHT is not necessarily indicative of the future performance of FHT.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.